

SECTION II: DEFENSE NUCLEAR SITES

II.1 Background

Defense nuclear sites accounted for 97 percent of all reduction-in-force separations in FY 2001.

II.2 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 2,213, with 1,405 being voluntary and 808 involuntary. An additional 4,158 separations occurred through attrition (Exhibit II.1)

	Defense Nuclear Sites	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	5,563	\$6,948,053	\$37,225,701	\$44,173,754	\$7,941
1.1	Early Retirement	598	\$0	\$24,168,399	\$24,168,399	\$40,415
1.2	Non-Retirement Voluntary Separations (Severance Only)	807	\$6,948,053	\$13,057,302	\$20,005,355	\$24,790
1.3	Attrition	4,158	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	808	\$68,410	\$11,604,079	\$11,672,489	\$14,446
2.1	With Benefits (Severance Only)	606	\$68,410	\$11,604,079	\$11,672,489	\$19,262
2.1.1	Non-Construction Workers	581	\$0	\$11,579,510	\$11,579,510	\$19,930
2.1.2	Construction Workers	25	\$68,410	\$24,569	\$92,979	\$3,719
2.2	Without Benefits	202	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	6,371	\$7,016,463	\$48,829,780	\$55,846,243	\$8,766
4.0	Remaining Affected Workers	547	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	362	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	185	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$1,967,500	\$1,910,485	\$3,877,985	n/a
5.1	Displaced Worker Medical Benefits	720	\$473,218	\$1,491,162	\$1,964,380	\$2,728
5.2	Relocation Assistance	17	\$59,287	\$0	\$59,287	\$3,487
5.3	Separating or Separated Workers Using Outplacement	1,657	\$888,203	\$397,019	\$1,285,222	\$776
5.4	Education Assistance for Separated Workers	382	\$546,792	\$22,304	\$569,096	\$1,490
6.0	Total Costs for Fiscal Year 2001	n/a	\$8,983,963	\$50,740,265	\$59,724,228	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	6,371	n/a	n/a	n/a	\$9,521
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	807	n/a	n/a	n/a	\$28,195
9.0	Involuntary Separations (All Benefits) ¹	606	n/a	n/a	n/a	\$22,667

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.1 Defense Nuclear Sites Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 96

Rehires in FY 2001: 761

Preference-in-Hiring Placements in FY 2001: 85

II.3 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 was \$59.7 million. The estimated fully-burdened cost per non-retirement voluntary separation was \$28,195 and \$22,667 per involuntary separation (Exhibit II.1). The estimated savings in salary and benefits for the 2,213 reduction-in-force separations are \$178 million.

II.4 Mitigating Restructuring Impacts

Placement. In FY 2001, 547 employees were placed in other positions, either at the same site or other sites. The majority were placed at their same site without retraining.

Medical Benefits. In FY 2001, 720 separated workers took extended medical benefits at an average cost of \$2,728. Recipients may have separated in prior years.

Relocation Assistance. In FY 2001, 17 employees received relocation assistance at an average cost of \$3,487. Recipients may have separated in prior years.

Outplacement Services. In FY 2001, 1,657 workers used outplacement services at an average cost of \$776. Recipients may have separated in prior years.

Educational Assistance. In FY 2001, 382 workers received educational assistance at an average cost of \$1,490. Recipients may have separated in prior years.

II.5 Site Summaries

II.5.1 Argonne National Laboratory

II.5.1.1 Background

The Argonne National Laboratory (Argonne) is a large, multi-program laboratory operated by the University of Chicago for the Department of Energy. The Laboratory's mission is basic research and technology development to meet national goals in scientific leadership, energy technology, environmental quality, and national security. Argonne occupies two sites, one in Illinois and one in Idaho.

II.5.1.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2000 numbered 855, with 59 percent being voluntary and 41 percent involuntary (Exhibit II.5.1.1).

Fiscal Year	Voluntary	Involuntary	Total
1995	180	70	250
1996	40	104	144
1997	125	64	189
1998	38	65	103
1999	74	27	101
2000	51	17	68
Total	508	347	855

Exhibit II.5.1.1 Argonne National Laboratory Contractor Separations

II.5.1.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 24, with 14 being voluntary and 10 involuntary. An additional 207 separations occurred through attrition (Exhibit II.5.1.2).

Office of Worker and Community Transition

	Site: Argonne National Laboratory	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	221	\$0	\$510,652	\$510,652	\$2,311
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	14	\$0	\$510,652	\$510,652	\$36,475
1.3	Attrition	207	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	10	\$0	\$388,901	\$388,901	\$38,890
2.1	With Benefits (Severance Only)	10	\$0	\$388,901	\$388,901	\$38,890
2.1.1	Non-Construction Workers	10	\$0	\$388,901	\$388,901	\$38,890
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	231	\$0	\$899,553	\$899,553	\$3,894
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$28,390	\$28,390	n/a
5.1	Displaced Worker Medical Benefits	6	\$0	\$28,244	\$28,244	\$4,707
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	1	\$0	\$146	\$146	\$146
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2001	n/a	\$0	\$927,943	\$927,943	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	231	n/a	n/a	n/a	\$4,248
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	14	n/a	n/a	n/a	\$39,880
9.0	Involuntary Separations (All Benefits) ¹	10	n/a	n/a	n/a	\$42,295

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.1.2 Argonne National Laboratory Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 0

Preference-in-Hiring Placements in FY 2001: 0

II.5.1.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at Argonne was \$927,943. The estimated fully-burdened cost per non-retirement voluntary separation was \$39,880 and \$42,295 per involuntary separation (Exhibit II.5.1.2). The estimated savings in salary and benefits for the 24 reduction-in-force separations are \$1.9 million.

II.5.1.5 Outplacement

Argonne provides individual and group workshops on marketing, job-hunting techniques, networking, resume development, letter writing, interviewing techniques, educational and

training goals, financial planning, and follow-up or progress sessions for individuals through contracted service agencies.

II.5.1.6 Accomplishments and Lessons Learned

In recent years, the voluntary separation programs have been successful in reducing the number of employees scheduled for involuntary separation when reductions-in-force have been necessary.

II.5.1.7 Future of the Site

No significant change is forecast in mission or employment.

II.5.2 Brookhaven National Laboratory

II.5.2.1 Background

The Brookhaven National Laboratory (BNL) is a large, multi-program laboratory operated by Brookhaven Science Associates for the Department of Energy (DOE). The Laboratory conducts research in the physical, biomedical, and environmental sciences, as well as in energy technologies. BNL is located in New York.

II.5.2.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2000 numbered 914, with 93 percent being voluntary and 7 percent involuntary (Exhibit II.5.2.1).

Fiscal Year	Voluntary	Involuntary	Total
1995	320	12	332
1996	244	26	270
1997	61	8	69
1998	45	7	52
1999	68	4	72
2000	111	8	119
Total	849	65	914

Exhibit II.5.2.1 Brookhaven National Laboratory Contractor Separations

II.5.2.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 56, with 44 being voluntary and 12 involuntary. An additional 161 separations occurred through attrition (Exhibit II.5.2.2).

Office of Worker and Community Transition

Site: Brookhaven National Laboratory		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	205	\$0	\$1,808,211	\$1,808,211	\$8,821
1.1	Early Retirement	32	\$0	\$1,594,896	\$1,594,896	\$49,841
1.2	Non-Retirement Voluntary Separations (Severance Only)	12	\$0	\$213,315	\$213,315	\$17,776
1.3	Attrition	161	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	12	\$0	\$482,331	\$482,331	\$40,194
2.1	With Benefits (Severance Only)	12	\$0	\$482,331	\$482,331	\$40,194
2.1.1	Non-Construction Workers	12	\$0	\$482,331	\$482,331	\$40,194
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	217	\$0	\$2,290,542	\$2,290,542	\$10,555
4.0	Remaining Affected Workers	10	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	10	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$220,002	\$220,002	n/a
5.1	Displaced Worker Medical Benefits	49	\$0	\$220,002	\$220,002	\$4,490
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2001	n/a	\$0	\$2,510,544	\$2,510,544	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	217	n/a	n/a	n/a	\$10,932
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	12	n/a	n/a	n/a	\$21,181
9.0	Involuntary Separations (All Benefits) ¹	12	n/a	n/a	n/a	\$43,599

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.2.2 Brookhaven National Laboratory Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 0

Preference-in-Hiring Placements in FY 2001: 0

II.5.2.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at Brookhaven was \$2,510,544. The estimated fully-burdened cost per non-retirement voluntary separation was \$21,181 and \$43,599 per involuntary separation (Exhibit II.5.2.2). The estimated savings in salary and benefits for the 56 reduction-in-force separations are \$4.5 million.

II.5.2.5 Outplacement

Brookhaven, through a contracted service agency, provides workshops on searching for jobs, preparing resumes, and dealing with the traumas of a layoff.

II.5.2.6 Accomplishments and Lessons Learned

The Laboratory has used term and project appointments for many projects. The use of such appointments reduces the need for involuntary separations and the cost of providing severance pay.

The use of voluntary separation programs has successfully reduced the number of employees who otherwise would have been involuntarily separated when reductions-in-force were necessary.

II.5.2.7 Future of the Site

The BNL envisions a future of accelerating progress in linking fundamental knowledge of the structure of matter with the practical technologies needed to address the most challenging problems of society. In this context, the Laboratory will provide innovative and leading-edge facilities that permit researchers from all over the world to make this link, and will foster the application of those facilities to problems of national significance consistent with DOE objectives.

II.5.3 Hanford Site

II.5.3.1 Background

The Hanford Site (Hanford) is engaged in a massive environmental cleanup project to deal with accumulated chemical and radioactive wastes resulting from decades of plutonium production for the Nation's nuclear weapons program. Today, Hanford is one of the largest and most complex environmental cleanup efforts in the Nation focusing on the environmental cleanup of the site's legacy Cold War wastes. Primary contractors include Fluor Hanford, Inc. (FHI) with its team of subcontractors, the CH2M Hill Hanford Group, Inc., Bechtel National, Inc., and Bechtel Hanford, Inc. Hanford is located in Washington State.

An important parallel mission to environmental cleanup is the development and deployment of new technologies, particularly those that will directly benefit environmental cleanup. This work is accomplished through the Pacific Northwest National Laboratory (PNNL) located at Hanford and operated by Battelle Memorial Institute.

II.5.3.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2000 numbered 8,081, with 63 percent being voluntary and 37 percent involuntary (Exhibit II.5.3.1).

Fiscal Year	Voluntary	Involuntary	Total
1995	3166	1398	4564
1996	1526	677	2203
1997	336	433	769
1998	0	407	407
1999	32*	60	92
2000	0	46	46
Total	5060	3021	8081

* All through attrition.

Exhibit II.5.3.1 Hanford Site Contractor Separations

II.5.3.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 157, with all being involuntary. An additional 860 separations occurred through attrition (Exhibit II.5.3.2).

Office of Worker and Community Transition

	Site: Hanford Site					
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	860	\$0	\$0	\$0	\$0
	1.1 Early Retirement	0	\$0	\$0	\$0	\$0
	1.2 Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
	1.3 Attrition	860	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	157	\$0	\$2,350,252	\$2,350,252	\$14,970
	2.1 With Benefits (Severance Only)	156	\$0	\$2,350,252	\$2,350,252	\$15,066
	2.1.1 Non-Construction Workers	154	\$0	\$2,347,694	\$2,347,694	\$15,245
	2.1.2 Construction Workers	2	\$0	\$2,558	\$2,558	\$1,279
	2.2 Without Benefits	1	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	1,017	\$0	\$2,350,252	\$2,350,252	\$2,311
4.0	Remaining Affected Workers	78	\$0	\$0	\$0	\$0
	4.1 Workers Placed Internally Without Retraining	78	n/a	n/a	n/a	n/a
	4.2 Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
	4.3 Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$15,425	\$521,431	\$536,856	n/a
	5.1 Displaced Worker Medical Benefits	95	\$0	\$222,238	\$222,238	\$2,339
	5.2 Relocation Assistance	0	\$0	\$0	\$0	\$0
	5.3 Separating or Separated Workers Using Outplacement	109	\$0	\$299,193	\$299,193	\$2,745
	5.4 Education Assistance for Separated Workers	16	\$15,425	\$0	\$15,425	\$964
6.0	Total Costs for Fiscal Year 2001	n/a	\$15,425	\$2,871,683	\$2,887,108	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	1,017	n/a	n/a	n/a	\$2,833
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	156	n/a	n/a	n/a	\$18,471

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.3.2 Hanford Site Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 73

Preference-in-Hiring Placements in FY 2001: 3

II.5.3.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at Hanford was \$2,887,108. The estimated fully-burdened cost per involuntary separation was \$18,471 (Exhibit II.5.3.2). The estimated savings in salary and benefits for the 157 reduction-in-force separations are \$12.6 million.

II.5.3.5 Outplacement

FHI contracted with an outside vendor to provide a variety of job search and placement services to workers affected by the reduction-in-force conducted in April 2001. An outplacement center, WorkSource Columbia Basin, maintained by the State of Washington, also provided outplacement services.

II.5.3.6 Community Transition

In May 1994, the economic development organizations surrounding the Hanford Site designated the Tri-City Industrial Development Council (TRIDEC) as the Hanford CRO. TRIDEC evaluates and recommends proposals leading to the creation and retention of high-value jobs, reviews and makes recommendations regarding the transfer of Hanford resources to the community, and serves as a communication link between the site and other interests or organizations.

As of September 30, 2001, a total of \$21.4 million has been committed to the CRO, of which nearly \$18.4 million has been spent on community development projects in the Tri-City area. A total of 1,966 jobs have been created or retained in the region, with an additional 2,350 jobs expected to be created or retained by FY 2005.

Exhibit II.5.3.3 provides a summary of all projects funded between FY 1994 and September 30, 2001.

Office of Worker and Community Transition

From FY 1994 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Advanced Process Engineering Laboratory*	\$3,521,000	\$0	\$3,521,000	\$3,519,900	14	\$251,421	270
Agri-business Commercialization and Development Center*	\$530,656	\$130,000	\$660,656	\$659,963	40	\$16,499	308
Worker Training Program*	\$476,280	\$0	\$476,280	\$476,280	0	\$0	0
City of Pasco Waste Water*	\$1,000,000	\$0	\$1,000,000	\$1,000,000	0	\$0	0
Commercial Aquaculture Program*	\$127,363	\$0	\$127,363	\$127,363	2	\$63,682	40
Economic Development Consultant*	\$10,000	\$0	\$10,000	\$10,000	0	\$0	0
Entrepreneurial Support Network by Benton-Franklin Regional Council*	\$500,000	\$0	\$500,000	\$500,000	0	\$0	0
Entrepreneurial Support Network by Tri-Cities Enterprise Association*	\$1,775,000	\$0	\$1,775,000	\$1,775,000	325	\$5,462	560
Entrepreneurial Support Network by Washington State University at Tri-Cities*	\$1,350,000	\$0	\$1,350,000	\$1,350,000	240	\$5,625	340
Hanford Regional Planning - Benton Co.*	\$109,000	\$0	\$109,000	\$109,000	0	\$0	0
Hanford Technology Deployment Center*	\$118,192	\$0	\$118,192	\$118,192	0	\$0	265
Horn Rapids Road*	\$250,000	\$0	\$250,000	\$250,000	0	\$0	0
Medical Isotopes Program #1*	\$100,000	\$0	\$100,000	\$100,000	0	\$0	127
Medical Isotopes Program Study*	\$32,000	\$0	\$32,000	\$32,000	0	\$0	0
Minority Program Development*	\$339,914	\$0	\$339,914	\$319,290	16	\$19,956	0
PNNL, Entrepreneurial Leave of Absence Program*	\$600,000	\$0	\$600,000	\$600,000	100	\$6,000	50
Port of Benton Infrastructure*	\$200,000	\$0	\$200,000	\$200,000	0	\$0	100
Port of Benton Rail Study*	\$60,000	\$0	\$60,000	\$60,000	0	\$0	0
Prosser EDA Spec Bldg.*	\$20,000	\$0	\$20,000	\$20,000	0	\$0	0
Southeastern Washington Development Association Equity Capital Fund*	\$1,425,000	\$0	\$1,425,000	\$1,425,000	23	\$61,957	0
Sparhawk Workforce Enterprise Program*	\$50,000	\$0	\$50,000	\$50,000	0	\$0	0
Tourism Marketing and Development*	\$936,900	\$0	\$936,900	\$936,900	199	\$4,708	0
Tri-Cities Commercialization Partnership Expanded Technology Commercialization Base Program*	\$410,019	\$0	\$410,019	\$410,019	16	\$25,626	80
Tri-Cities Science & Tech Park Master Plan*	\$50,000	\$0	\$50,000	\$50,000	0	\$0	0
Worker & Community Impacts - City of Richland*	\$146,152	\$0	\$146,152	\$146,152	0	\$0	0
Food Irradiation	\$100,000	\$0	\$100,000	\$65,471	0	\$0	20
Hanford Reindustrialization	\$862,500	\$0	\$862,500	\$501,125	75	\$6,682	300
Medical Isotopes Program #2	\$200,000	\$0	\$200,000	\$0	0	\$0	0
Minority Program Development TRIDEC/CBC	\$181,111	\$0	\$181,111	\$61,456	31	\$1,982	146
PNNL, Local Technical Assistance Program	\$900,000	\$132,000	\$1,032,000	\$900,555	52	\$17,318	60
TRIDEC Incentive Fund	\$2,000,000	\$0	\$2,000,000	\$340,000	235	\$1,447	450
TRIDEC Marketing	\$1,150,000	\$0	\$1,150,000	\$1,001,041	598	\$1,674	1200
TRIDEC Training Program	\$173,720	\$0	\$173,720	\$44,469	0	\$0	0
TRIDEC Administration	\$1,476,928	\$0	\$1,476,928	\$1,216,960	0	\$0	0
Totals	\$21,181,735	\$262,000	\$21,443,735	\$18,376,136	1966	\$9,347	4316

* Project closed.

** Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.3.3 Hanford Site Community Transition Funding and Job Creation by Project

II.5.3.7 Accomplishments and Lessons Learned

Partnering with the community has been productive. Community representatives provide a wealth of information and support. This relationship enables the contractor to provide cost-effective, targeted resources.

Partnering with other site contractors during work force restructuring activities makes good sense for all concerned and significantly reduces cost impacts from work force reductions and site-wide hiring costs.

It is important to work with state, educational, and local agencies during the development of the work force restructuring plan to identify and resolve any conflict in the administration of financial resources. It can reduce and even eliminate potential confusion.

The formal process for determining reduction-in-force candidates, developed by a legal firm contracted by FHI, reduces time, costs, and legal liabilities associated with work force restructuring activities.

The United Way is a valuable community resource and provides referral services that assist the entire family in the transition.

II.5.3.8 Future of the Site

Progress in meeting Hanford's multiple cleanup objectives and outcomes should continue in fiscal year 2002. Significant accomplishments can be expected in several areas including commencement of construction of a facility to vitrify (glassify) high-level tank wastes, ongoing removal of spent nuclear fuel away from the Columbia River, restoration work along the Columbia River corridor, stabilization of nuclear materials, and facilities transition.

Construction of the vitrification facility has begun and is expected to employ approximately 3,200 construction workers during the peak construction period beginning in 2005. Total employment on the project including management, professional staff and construction is expected to be around 4,500. Facility completion is scheduled in 2006-2007, with operability beginning in 2007.

The waste treatment plant project provides potential employment opportunity for any employees who might be at risk with other contractors onsite.

Major work force restructuring is not anticipated at Hanford in FY 2002, but some adjustments may occur due to reprioritizing resources for cleanup work at an accelerated pace.

Work force restructuring at the PNNL has continued to decline and this decline is expected to continue during the course of FY 2002.

II.5.4 Idaho National Engineering and Environmental Laboratory (INEEL)

II.5.4.1 Background

INEEL is a science-based, applied engineering national laboratory operated by Bechtel BWXT Idaho, LLC for the Department of Energy (DOE). Its mission is focused in the areas of environment, energy, science, and national defense. INEEL is located in Idaho.

II.5.4.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2000 numbered 2,085, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.4.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	30	20	50
1995	1493	0	1493
1996	402	0	402
1997	0	0	0
1998	125*	0	125
1999	0	3	3
2000	0	12	12
Total	2050	35	2085

* All through attrition.

Exhibit II.5.4.1 Idaho National Engineering and Environmental Laboratory Contractor Separations

II.5.4.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 617, with all being voluntary. An additional 317 separations occurred through attrition (Exhibit II.5.4.2).

Office of Worker and Community Transition

Site: Idaho National Engineering and Environmental Laboratory		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	934	\$1,584,000	\$21,759,507	\$23,343,507	\$24,993
1.1	Early Retirement	441	\$0	\$21,000,000	\$21,000,000	\$47,619
1.2	Non-Retirement Voluntary Separations (Severance Only)	176	\$1,584,000	\$759,507	\$2,343,507	\$13,315
1.3	Attrition	317	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	934	\$1,584,000	\$21,759,507	\$23,343,507	\$24,993
4.0	Remaining Affected Workers	104	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	77	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	27	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$6,730	\$6,730	n/a
5.1	Displaced Worker Medical Benefits	19	\$0	\$6,730	\$6,730	\$354
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2001	n/a	\$1,584,000	\$21,766,237	\$23,350,237	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	934	n/a	n/a	n/a	\$25,635
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	176	n/a	n/a	n/a	\$16,720
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.4.2 Idaho National Engineering and Environmental Laboratory Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 9

Preference-in-Hiring Placements in FY 2001: 9

II.5.4.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at INEEL was \$23,350,237. The estimated fully-burdened cost per non-retirement voluntary separation was \$16,720.

(Exhibit II.5.4.2). The estimated savings in salary and benefits for the 617 reduction-in-force separations are \$49.6 million.

II.5.4.5 Outplacement

The following services have been provided to assist affected employees:

A job fair was held in June 2001 involving personnel from 30 companies.

A virtual job fair is available on the Internet to employees affected by restructuring as an ongoing service. Other accessible services include counseling, education and training opportunities.

Information about the Eastern Idaho Development Council, which links employees with companies in the area, was provided in separation packages.

II.5.4.6 Community Transition

The Eastern Idaho Community Reuse Organization was established in October 1994 as a standing Committee of the Board of Directors of the Eastern Idaho Economic Development Council. The Council acts as the fiduciary agent for all CRO activities through its nonprofit status. The mission of the Council, and therefore the CRO, is to diversify the regional economy by creating the widest possible range of employment opportunities for the region's residents, while preserving and enhancing their quality of life.

The Regional Development Alliance, Inc., a nonprofit corporation dedicated to quality job creation in Bannock, Bingham, Bonneville, Butte, Custer, Jefferson, and Madison counties, was selected by the State of Idaho to receive and administer funds provided to the state through a federal court-mandated settlement agreement on the disposition of spent nuclear fuel between the state and DOE. This agreement calls for the Department to provide \$30.0 million to be disbursed to the state over 5 years. It also allows INEEL to accept a certain number of shipments of spent fuel in exchange for the eventual removal of most nuclear waste and spent fuel from Idaho by a set deadline.

As of September 30, 2001, a total of nearly \$5.9 million has been committed to the CRO and \$30.0 million to the State of Idaho for economic diversification, for a total commitment of almost \$35.9 million. To date, over \$19.4 million has been spent. A total of 5,085 jobs have been created or retained, with an additional 4,299 jobs projected by the year 2005.

Exhibit II.5.4.3 provides a summary of all projects funded between FY 1995 and September 30, 2001.

From FY 1995 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
FY1995 Planning Grant*	\$325,000	\$0	\$325,000	\$325,000	0	\$0	0
Assist Local ED Organizations	\$910,561	\$0	\$910,561	\$910,561	684	\$1,331	684
Regional Projects & Marketing	\$577,047	\$0	\$577,047	\$577,047	639	\$903	652
Entrepreneurial Development	\$14,744	\$0	\$14,744	\$14,744	68	\$217	68
Property Reuse	\$40,000	\$0	\$40,000	\$2,142	1	\$2,142	73
Enterprise Fund - Capital	\$3,000,000	\$0	\$3,000,000	\$3,000,000	1,753	\$1,711	2,991
State of Idaho (RDA)	\$30,000,000	\$0	\$30,000,000	\$13,604,174	1,940	\$7,012	4,916
Administration*	\$1,007,648	\$0	\$1,007,648	\$978,583	0	\$0	0
Totals	\$35,875,000	\$0	\$35,875,000	\$19,412,251	5,085	\$3,818	9,384

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.4.3 Idaho National Engineering and Environmental Laboratory Community Transition Funding and Job Creation by Project

II.5.4.7 Accomplishments and Lessons Learned

A strong communications plan included a questions-and-answers forum as well as timely communications to managers and employees.

Training for management was a critical component. Managers were trained in how to conduct the selection process, the notification meeting for affected employees, and a group meeting to assist the remaining employees in expressing their thoughts.

A third-party intervention element was built into the involuntary separation process to assist employees with the next steps. Additionally, this enabled notifying managers to keep from being drawn into arguments about the selection process.

The involuntary separation program process included a legal review, which required selecting managers to document the business case for reductions. This will be valuable in the event of litigation as well as in the next phase of involuntary separations in FY 2002.

II.5.4.8 Future of the Site

INEEL will remain a DOE research and development (R&D) multi-program national laboratory with a significant operational mission. As the designated lead laboratory for DOE's Office of Environmental Management (EM), INEEL will focus on meeting its environmental cleanup milestones as well as developing science and technology to fulfill INEEL and EM mission needs. R&D efforts in support of DOE's energy resource, science, and national security mission areas will continue.

Over the next several years, the Laboratory's funding profile is expected to shift somewhat from the current situation where roughly two-thirds of the work is directly related to environmental cleanup operations, and one-third is R&D. R&D efforts will focus on the environmental areas of subsurface science and long term stewardship needs. Also, a significant R&D effort will be directed toward nuclear energy.

In FY 2002, the Laboratory expects to continue work force restructuring to reflect needed skill mix needs and technical requirements. It is estimated that during FY 2002, these reductions will number about 600.

II.5.5 Kansas City Plant

II.5.5.1 Background

The Kansas City Plant (KCP) is responsible for the development, procurement, and production of non-nuclear components for the Nation's nuclear weapons program. Honeywell, Federal Manufacturing & Technologies (FM&T) is the management and operating contractor. KCP is located in Missouri.

II.5.5.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2000 numbered 1,905, with 76 percent being voluntary and 24 percent involuntary (Exhibit II.5.5.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	672	331	1003
1995	154*	0	154
1996	48*	0	48
1997	0	0	0
1998	380	43	423
1999	93*	57	150
2000	108	19	127
Total	1455	450	1905

* All through attrition.

Exhibit II.5.5.1 Kansas City Plant Contractor Separations

II.5.5.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 71, with 68 being voluntary and 3 involuntary. An additional 84 separations occurred through attrition (Exhibit II.5.5.2).

Office of Worker and Community Transition

Site: Kansas City Plant		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	152	\$0	\$0	\$0	\$0
1.1	Early Retirement	68	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	84	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	3	\$0	\$7,684	\$7,684	\$2,561
2.1	With Benefits (Severance Only)	3	\$0	\$7,684	\$7,684	\$2,561
2.1.1	Non-Construction Workers	3	\$0	\$7,684	\$7,684	\$2,561
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	155	\$0	\$7,684	\$7,684	\$50
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$1,818	\$1,818	n/a
5.1	Displaced Worker Medical Benefits	3	\$0	\$1,818	\$1,818	\$606
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2001	n/a	\$0	\$9,502	\$9,502	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	155	n/a	n/a	n/a	\$115
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	3	n/a	n/a	n/a	\$5,966

¹ Includes historical average cost of other benefits provided.

Exhibit II.5.5.2 Kansas City Plant Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 71

Rehires in FY 2001: 52

Preference-in-Hiring Placements in FY 2001: 0

II.5.5.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at KCP was \$9,502. The estimated fully-burdened cost per involuntary separation was \$5,966 (Exhibit II.5.5.2). The estimated savings in salary and benefits for the 71 reduction-in-force separations are \$5.7 million.

II.5.5.5 Outplacement

Outplacement assistance was provided through a contracted service company. Services offered included a 2-day job search skills workshop, resume preparation, career counseling, telephone, Internet and computer access.

II.5.5.6 Accomplishments and Lessons Learned

An aggressive summer internship program was implemented during the summer of 2001, and due to its success, will most likely be continued during the summer of 2002.

II.5.5.7 Future of the Site

KCP will gradually be reduced in physical size and number of workers by FY 2006. With supplemental funding from the Department of Energy, FM&T has initiated an aggressive hiring program to replace critical-skill employees who have left and those critical-skill employees who are forecast to leave over the next 5 years. This will ensure the adequate transfer of knowledge and preservation of that knowledge within the nuclear weapons complex.

II.5.6 Lawrence Livermore National Laboratory

II.5.6.1 Background

The Lawrence Livermore National Laboratory (LLNL), one of three research laboratories managed by the University of California, is a national security laboratory whose mission is to solve complex scientific and technical problems of national importance. LLNL has facilities in California and Nevada.

II.5.6.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2000 numbered 1,956, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.6.1).

Fiscal Year	Voluntary	Involuntary	Total
1995	753*	0	753
1996	878	0	878
1997	285	0	285
1998	0	23	23
1999	0	0	0
2000	0	17	17
Total	1916	40	1956

* All through attrition.

Exhibit II.5.6.1 Lawrence Livermore National Laboratory Contractor Separations

II.5.6.3 Current Work Force Restructuring

In FY 2001, there were no reduction-in-force separations. However, 415 separations did occur through attrition (Exhibit II.5.6.2).

Office of Worker and Community Transition

Site: Lawrence Livermore National Laboratory		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	415	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	415	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	415	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$15,111	\$0	\$15,111	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	11	\$15,111	\$0	\$15,111	\$1,374
6.0	Total Costs for Fiscal Year 2001	n/a	\$15,111	\$0	\$15,111	n/a
7.0	Work Force Restructuring Separations (Average Cost)	415	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

**Exhibit II.5.6.2 Lawrence Livermore National Laboratory
Work Force Restructuring Summary**

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 0

Preference-in-Hiring Placements in FY 2001: 0

II.5.6.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at LLNL was \$15,111, all of which funded educational assistance for separated workers. The average cost of this assistance was \$1,374. No costs were incurred for medical benefits, relocation assistance, or outplacement (Exhibit II.5.6.2).

II.5.6.5 Outplacement

LLNL's career center provides a variety of resources to assist in career management, including reference materials on job market information, qualifications for available jobs, job opportunities elsewhere, and employment trends. Also provided are business directories and publications, a lending library with books, audiotapes, and videotapes concerning job search, career development, and aging and retirement. The career center provides Internet access to locate information on career development, education and training, and job openings. Career counselors are available for one-on-one access, and workshops are offered weekly on a variety of career related topics.

II.5.6.6 Accomplishments and Lessons Learned

The Laboratory has implemented several methods to assist in the transition of retained workers, including the use of a computer-based tool in assessing employee skills, knowledge, and abilities with a view to enhancing reassignment and retraining assessments.

II.5.6.7 Future of the Site

The Laboratory continues to focus its efforts on two of the Nation's top priorities: stockpile stewardship and stemming of the proliferation of weapons of mass destruction. Other major areas include energy, bioscience, and environmental remediation.

II.5.7 Los Alamos National Laboratory

II.5.7.1 Background

The Los Alamos National Laboratory (LANL), one of the largest multi-disciplinary research institutions in the world, is managed for the Department of Energy (DOE) by the University of California. Its mission includes enhancing global security by using science and engineering to ensure the safety, reliability, and performance of the Nation's nuclear weapons stockpile and by helping reduce threats to U.S. security, with a focus on weapons of mass destruction. The Laboratory is also involved in cleaning up the legacy of the Cold War as well as providing technical solutions to energy, environment, and health problems. LANL is located in New Mexico.

II.5.7.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2000 numbered 1,014, with 74 percent being voluntary and 26 percent involuntary (Exhibit II.5.7.1).

Fiscal Year	Voluntary	Involuntary	Total
1995	452	64	516
1996	181*	193	374
1997	0	2	2
1998	0	0	0
1999	0	0	0
2000	122*	0	122
Total	755	259	1014

* All through attrition.

Exhibit II.5.7.1 Los Alamos National Laboratory Contractor Separations

II.5.7.3 Current Work Force Restructuring

In FY 2001, there were no reduction-in-force separations. However, 455 separations did occur through attrition (Exhibit II.5.7.2).

Office of Worker and Community Transition

	Site: Los Alamos National Laboratory	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	455	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	455	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	455	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	102	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	102	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$39,000	\$0	\$39,000	n/a
5.1	Displaced Worker Medical Benefits	4	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	8	\$6,000	\$0	\$6,000	\$750
5.4	Education Assistance for Separated Workers	17	\$33,000	\$0	\$33,000	\$1,941
6.0	Total Costs for Fiscal Year 2001	n/a	\$39,000	\$0	\$39,000	n/a
7.0	Work Force Restructuring Separations (Average Cost)	455	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.7.2 Los Alamos National Laboratory Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 26

Preference-in-Hiring Placements in FY 2001: 5

II.5.7.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at LANL was \$39,000, which funded outplacement and education assistance for separated workers. No costs were incurred for medical benefits or relocation assistance (Exhibit II.5.7.2).

II.5.7.5 Outplacement

In collaboration with the University of New Mexico, LANL sponsored a career resource center that provided outplacement assistance to all former Laboratory employees.

II.5.7.6 Community Transition

Los Alamos National Laboratory

In July 1993, the Defense Adjustment Task Force (DATF) was created to oversee a regional planning program funded under a Department of Defense grant. The purpose of the program was to prepare a regional plan to deal with future Los Alamos National Laboratory (LANL) downsizing related to defense program funding reductions. In FY 1995, the Department of Energy (DOE) provided a grant to the DATF to assist the region in mitigating the economic impacts of downsizing DOE-related activities at LANL.

In 1996, the newly-established nonprofit Regional Development Corporation (RDC) was recognized by DOE as the CRO for Northern New Mexico community transition. The RDC's mission is to organize and implement an economic diversification and development program for north central New Mexico. The RDC now assists the region by funding economic development projects that can re-deploy the highly-skilled, well-trained and educated work force developed for LANL's site missions and to find potential new productive uses for land, facilities, and equipment as they become available.

As of September 30, 2001, a total of \$11,356,397 in section 3161 funding had been committed to Northern New Mexico projects; \$10,534,497 to DATF & RDC, and \$821,900 administered directly by DOE. A total of 742 jobs have been created or retained with an additional 2,449 jobs expected to be created by the year 2005.

Exhibit II.5.7.3 provides a summary of all projects funded between FY 1993 and September 30, 2001.

Office of Worker and Community Transition

From FY 1993 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Revolving Loan Fund	\$750,000	\$0	\$750,000	\$750,000	83	\$9,036	100
Tri-County Regional Training	\$107,862	\$0	\$107,862	\$107,862	33	\$3,269	100
City of Espanola Business Incubator	\$390,000	\$0	\$390,000	\$390,000	60	\$6,500	90
Rio Arriba Land Trust Association	\$60,000	\$0	\$60,000	\$60,000	0	\$0	0
Northern New Mexico Community College	\$200,000	\$0	\$200,000	\$200,000	36	\$5,556	56
University of New Mexico - Los Alamos	\$100,000	\$0	\$100,000	\$100,000	1	\$100,000	150
Santa Fe Community College	\$100,000	\$0	\$100,000	\$99,000	100	\$990	500
Eight Northern Indian Pueblos (telecommunications infrastructure)	\$150,000	\$0	\$150,000	\$150,000	0	\$0	0
Los Alamos County: Land Trust Corporation (Research Park Design)	\$300,000	\$0	\$300,000	\$300,000	0	\$0	0
Santa Fe Airport Business Park	\$20,000	\$0	\$20,000	\$20,000	0	\$0	120
Eight Northern Indian Pueblos Council Business Incubator	\$190,000	\$0	\$190,000	\$190,000	23	\$8,261	62
Espanola Mainstreet	\$200,000	\$0	\$200,000	\$169,827	0	\$0	75
Rio Arriba County GIS System	\$300,000	\$0	\$300,000	\$300,000	3	\$100,000	4
Santa Fe Gift Market	\$50,000	\$0	\$50,000	\$50,000	15	\$3,333	15
Santa Fe County Industrial Park	\$366,000	\$0	\$366,000	\$366,000	0	\$0	450
Wastewater Treatment Study	\$350,000	\$0	\$350,000	\$270,010	0	\$0	0
EOS Rangelife	\$750,000	\$0	\$750,000	\$750,000	12	\$62,500	300
Los Alamos Research Park	\$1,000,000	\$0	\$1,000,000	\$1,000,000	60	\$16,667	350
NM Internet Professionals Assn	\$600,000	\$0	\$600,000	\$235,716	5	\$47,143	100
Espanola Fiber Arts Center	\$10,000	\$0	\$10,000	\$4,888	2	\$2,444	6
Madera Forest Products	\$83,500	\$0	\$83,500	\$83,500	3	\$27,833	10
Velarde Valley Apple Growers Coop	\$300,000	\$0	\$300,000	\$261,538	0	\$0	0
TRADE	\$41,000	\$0	\$41,000	\$41,000	7	\$5,857	105
Pojoaque Business Park	\$400,000	\$0	\$400,000	\$400,000	0	\$0	150
Post-Fire Business Grant Program	\$100,000	\$0	\$100,000	\$100,000	84	\$1,190	84
Ganados del Valle Business Development Program	\$200,163	\$0	\$200,163	\$200,163	11	\$18,197	15
TRADE Telecom	\$130,000	\$0	\$130,000	\$69,805	0	\$0	0
THEA	\$715,355	\$0	\$715,355	\$617,870	30	\$20,596	45
Los Ojos Handweavers	\$163,750	\$0	\$163,750	\$134,000	27	\$4,963	35
Skyloom/Collaborations Works	\$225,300	\$0	\$225,300	\$177,000	13	\$13,615	16
Santa Fe Business Incubator	\$710,000	\$0	\$710,000	\$650,000	105	\$6,190	250
RDC Administrative	\$1,471,567	\$0	\$1,471,567	\$993,921	3	\$331,307	3
Los Alamos Co. Cooperative Agreement	\$135,000	\$0	\$135,000	\$135,000	0	\$0	0
Vallecitos Mill	\$200,000	\$0	\$200,000	\$200,000	18	\$11,111	0
Strategic Learning Services	\$486,900	\$1,010,381	\$1,497,281	\$1,460,799	9	\$162,311	0
Totals	\$11,356,397	\$1,010,381	\$12,366,778	\$11,037,899	743	\$14,856	3,191

TRADE = Tri-Area Association for Economic Development.

THEA = Tri-County Higher Education Association.

Exhibit II.5.7.3 Los Alamos National Laboratory Community Transition Funding and Job Creation by Project

Carlsbad

DOE awarded a \$300,000 grant to the Carlsbad Department of Development in November 1998 to conduct a strengths, weaknesses, opportunities and threats analysis of Southeast New Mexico. In June 2000, the Eddy/Lea Commission was designated the CRO for this region to create new jobs and businesses that can absorb current and future displaced DOE workers.

As of September 30, 2001, DOE has committed a total of \$2.895 million, of which \$2.745 million has been spent on community development projects in Southeast New Mexico. A total of 600 jobs has been created or retained in the region, with an additional 750 expected by FY 2005.

Exhibit II.5.7.4 provides a summary of all projects funded between FY 1998 and September 30, 2001.

From FY 1998 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Advanced Manufacturing & Innovation Training Center	\$1,945,000	\$0	\$1,945,000	\$1,945,000	600	\$3,242	1,000
SWOT Analysis (Eddy County, Lea County, and WIPP)*	\$300,000	\$0	\$300,000	\$300,000	0	\$0	0
GIS for the City of Carlsbad and Eddy County*	\$250,000	\$250,000	\$500,000	\$500,000	0	\$0	0
Artesia Main Street-Phase II	\$40,000	\$0	\$40,000	\$0	0	\$0	75
Targeted Market Study-Automotive*	\$4,000	\$0	\$4,000	\$0	0	\$0	200
Water Pilot Plant and Appraisal Study	\$36,000	\$0	\$36,000	\$0	0	\$0	75
Administrative*	\$70,000	\$0	\$70,000	\$0	0	\$0	0
Totals	\$2,645,000	\$250,000	\$2,895,000	\$2,745,000	600	\$4,575	1,350

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.7.4 Carlsbad Community Transition Funding and Job Creation by Project

Eight Northern Indian Pueblos Council (ENIPC)

The Eight Northern Indian Pueblos Council (ENIPC) was designated a CRO by the Department of Energy on April 27, 2000 and is currently the only Native American CRO in the United States. A Strengths, Weaknesses, Opportunities, and Threats analysis was completed and is currently under review to determine the ENIPC's economic concerns, needs, and issues and to expedite a process to bring economic strength and diversity to the Pueblos. The SWOT will identify

available resources, the ENIPC's current and ideal economic situations, and technical solutions to allow the ENIPC to move forward. This will give us an accurate description of the organization.

As of September 30, 2001, ENIPC received \$75,000 for their SWOT analysis.

Exhibit II.5.7.5 provides a summary of the CRO's initial funding.

From FY 2000 to 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
SWOT Analysis*	\$75,000	\$0	\$75,000	\$75,000	0	\$0	0
Totals	\$75,000	\$0	\$75,000	\$75,000	0	\$0	0

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.7.5 Eight Northern Indian Pueblos Council Community Transition Funding and Job Creation by Project

II.5.7.7 Accomplishments and Lessons Learned

The Laboratory has placed a major focus on addressing regional issues to improve LANL's standing in the diverse regional community environment within which it operates. As a result, LANL has increased its community involvement activities by supporting regional economic development and educational outreach. The Laboratory created the Los Alamos National Laboratory Foundation, a nonprofit, philanthropic entity organized to promote and fund a broad range of educational and public service activities throughout Northern New Mexico communities.

Outplacement support and tuition reimbursement benefits proved to be essential in involuntarily terminated employees returning to work at LANL.

LANL provides funding and support to the University of New Mexico career center. Former employees are encouraged to use the support services at the university career center, community colleges, and Laboratory outreach centers.

LANL continues to provide Tuition Reimbursement Program support of up to \$10,000 per employee through November 2001 for those involuntarily-separated former employees.

Calendar year 2001 marks the sixth year of extended health benefits. Beginning with the third year, former employees have paid the full COBRA rate, and there has been no cost to the Laboratory for health premiums.

II.5.7.8 Future of the Site

LANL does not anticipate any major work force restructuring in FY 2002.

II.5.8 Nevada Test Site

II.5.8.1 Background

Established as the Atomic Energy Commission's on-continent proving ground, the Nevada Test Site (NTS) has seen more than four decades of nuclear weapons testing. Since the nuclear weapons testing moratorium in 1992, and, under the direction of the Department of Energy (DOE), test site use has diversified into many other programs such as hazardous chemical spill testing, emergency response training, conventional weapons testing, and waste management and environmental technology studies. The NTS, located in Nevada, is managed and operated for the DOE by Bechtel Nevada (BN).

II.5.8.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2000 numbered 4,705, with 43 percent being voluntary and 57 percent involuntary (Exhibit II.5.8.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	508	500	1008
1995	976	536	1512
1996	539	799	1338
1997	0	432	432
1998	0	113	113
1999	0	143	143
2000	0	159	159
Total	2023	2682	4705

Exhibit II.5.8.1 Nevada Test Site Contractor Separations

II.5.8.3 Current Work Force Restructuring

In FY 2001, reduction-in-force (RIF) separations numbered 114, with all being involuntary. An additional 196 separations occurred through attrition (Exhibit II.5.8.2).

Office of Worker and Community Transition

Site: Nevada Test Site		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	196	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	196	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	114	\$0	\$137,727	\$137,727	\$1,208
2.1	With Benefits (Severance Only)	11	\$0	\$137,727	\$137,727	\$12,521
2.1.1	Non-Construction Workers	10	\$0	\$132,261	\$132,261	\$13,226
2.1.2	Construction Workers	1	\$0	\$5,466	\$5,466	\$5,466
2.2	Without Benefits	103	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	310	\$0	\$137,727	\$137,727	\$444
4.0	Remaining Affected Workers	31	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	31	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$111,613	\$267,320	\$378,933	n/a
5.1	Displaced Worker Medical Benefits	37	\$0	\$267,320	\$267,320	\$7,225
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	103	\$111,613	\$0	\$111,613	\$1,084
6.0	Total Costs for Fiscal Year 2001	n/a	\$111,613	\$405,047	\$516,660	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	310	n/a	n/a	n/a	\$565
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	11	n/a	n/a	n/a	\$15,926

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.8.2 Nevada Test Site Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 114 (this is coincidental with the 114 RIF separations shown above).

Preference-in-Hiring Placements in FY 2001: 0

II.5.8.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at Nevada was \$516,660. The estimated fully-burdened cost per involuntary separation was \$15,926 (Exhibit II.5.8.2). The estimated savings in salary and benefits for the 114 reduction-in-force separations are \$9.2 million.

II.5.8.5 Outplacement

Bechtel Nevada provides internal outplacement services in coordination with external services provided by the State of Nevada. Services include career counseling, resume writing, access to computers and printers, as well as access to job position postings within DOE and other organizations. The Nevada's Job Training Office also conducts briefings that provide

information about employment security, consumer credit counseling services, and union apprenticeship programs.

II.5.8.6 Community Transition

The Nevada Test Site Development Corporation (NTSDC) was designated as the CRO in June 1995. As such, the NTSDC is a commercialization effort in partnership with the DOE for community transition in the Nevada Test Site area. This nonprofit entity facilitates the growth of science and technology through the development of sustainable private commercial activities which maximizes the use of DOE resources, expands non-government opportunities, and adds long-term value to the regional economy.

As of September 30, 2001, a total of \$15.3 million has been committed for community transition activities in Nevada and over \$14.0 million of which have been spent. Of this total expenditure, approximately \$9.0 million was spent by the NTSDC; and slightly over \$3.4 million by the Corporation for Solar Technology and Renewable Resources. A total of 1,845 jobs have been created or retained, with an additional 1,428 jobs projected by FY 2005.

Exhibit II.5.8.3 provides a summary of all projects funded between FY 1995 and September 30, 2001.

From FY 1995 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Assistance for Economic Development Efforts	\$1,000,000	\$0	\$1,000,000	\$765,000	4	\$191,250	100
Implementation	\$8,800,000	\$0	\$8,800,000	\$8,800,000	1,053	\$8,357	2,350
State Economic Development Authorities	\$100,000	\$100,000	\$200,000	\$200,000	755	\$265	755
Community Reuse Organization Initial Operations Startup	\$500,000	\$0	\$500,000	\$500,000	18	\$27,778	18
International Brotherhood of Teamsters Corporation for Solar Technologies and Renewable Resources	\$1,236,000	\$0	\$1,236,000*	\$897,876	9	\$99,764	44
Establish Community Reuse Organization*	\$3,000,000	\$532,417	\$3,532,417	\$3,426,849	6	\$571,142	6
Totals	\$14,656,000	\$632,417	\$15,288,417	\$14,609,725	1,845	\$7,919	3,273

* Funds used for planning purposes. Job creation not intended.

Exhibit II.5.8.3 Nevada Test Site Community Transition Funding and Job Creation by Project

II.5.8.7 Accomplishments and Lessons Learned

At the time of layoffs, Bechtel Nevada and its predecessor contractors established a section 3161 tuition assistance program to help separated employees obtain education necessary to re-enter the job market. This training has included education to help employees further master their existing occupation as well as help other employees make full career changes. Between 1996 and 2001, approximately 2,600 employees have signed up for educational assistance under this program. This training has been a key component in reducing the number of employees on the Bechtel Nevada preference-in-hiring list, who were looking for employment, to zero.

II.5.8.8 Future of the Site

Based on possible funding adjustments, projections for FY 2002 indicate that BN will separate less than 100 employees. Adjustments for the mix of skills required and the further need for efficiency of operations are the anticipated causes of these reductions. Any separations that take place are expected to occur sporadically throughout the year.

II.5.9 Oak Ridge Complex

II.5.9.1 Background

The Oak Ridge complex is a large, multi-disciplinary enterprise that spans the technology development continuum from purely basic science to full-scale production deployment capability. Other program areas include environmental remediation, waste management, as well as assets utilization initiatives.

The complex (located in Tennessee) includes the East Tennessee Technology Park, the Oak Ridge Institute for Science and Education, the Oak Ridge National Laboratory, and the Y-12 National Security Complex. These facilities provide a formidable resource for developing and deploying basic and applied research and production to assist U.S. industry, support national security goals, and restore areas environmentally impacted by decades of nuclear weapons activity. Over the years, the missions of the Oak Ridge facilities have changed to reflect the Nation's needs and global events.

Primary contractors at the complex include:

Bechtel Jacobs Company, LLC* (East Tennessee Technology Park)

BWXT Y-12 (Y-12 National Security Complex)

Oak Ridge Associated Universities (Oak Ridge Institute for Science and Education)

UT-Battelle, LLC (Oak Ridge National Laboratory)

Wackenhut Services, Inc. - Oak Ridge (Oak Ridge complex-wide)

* Also has workers at Paducah Gaseous Diffusion Plant (Kentucky) and Portsmouth Gaseous Diffusion Plant (Ohio) engaged in environmental remediation and waste management activities.

Note: The Thomas Jefferson National Accelerator Facility, a Department of Energy national laboratory located in Virginia, is also under the auspices of the Oak Ridge Operations Office. The laboratory is managed and operated by the Southeastern Universities Research Association, Inc.

II.5.9.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2000 numbered 5,458, with 71 percent being voluntary and 29 percent involuntary (Exhibit II.5.9.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	281	0	281
1995	799	46	845
1996	628	496	1124
1997	956	631	1587
1998	317	156	473
1999	252	150	402
2000	620	126	746
Total	3853	1605	5458

Exhibit II.5.9.1 Oak Ridge Complex Contractor Separations

II.5.9.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 334, with 211 being voluntary and 123 involuntary. An additional 385 separations occurred through attrition. (Exhibit II.5.9.2).

Office of Worker and Community Transition

Site: Oak Ridge Complex		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	596	\$2,303,105	\$9,249,787	\$11,552,892	\$19,384
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	211	\$2,303,105	\$9,249,787	\$11,552,892	\$54,753
1.3	Attrition	385	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	123	\$0	\$4,626,072	\$4,626,072	\$37,610
2.1	With Benefits (Severance Only)	123	\$0	\$4,626,072	\$4,626,072	\$37,610
2.1.1	Non-Construction Workers	120	\$0	\$4,622,456	\$4,622,456	\$38,520
2.1.2	Construction Workers	3	\$0	\$3,616	\$3,616	\$1,205
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	719	\$2,303,105	\$13,875,859	\$16,178,964	\$22,502
4.0	Remaining Affected Workers	40	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	12	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	28	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$346,400	\$352,676	\$699,076	n/a
5.1	Displaced Worker Medical Benefits	120	\$0	\$254,996	\$254,996	\$2,125
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	358	\$270,331	\$97,680	\$368,011	\$1,028
5.4	Education Assistance for Separated Workers	42	\$76,069	\$0	\$76,069	\$1,811
6.0	Total Costs for Fiscal Year 2001	n/a	\$2,649,505	\$14,228,535	\$16,878,040	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	719	n/a	n/a	n/a	\$24,084
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	211	n/a	n/a	n/a	\$58,158
9.0	Involuntary Separations (All Benefits) ¹	123	n/a	n/a	n/a	\$41,015

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.9.2 Oak Ridge Complex Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 155

Preference-in-Hiring Placements in FY 2001: 58

II.5.9.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at the Oak Ridge complex was \$16,878,040. The estimated fully-burdened cost per non-retirement voluntary separation was \$58,158 and \$41,015 per involuntary separation (Exhibit II.5.9.2). The estimated savings in salary and benefits for the 334 reduction-in-force separations are \$26.9 million.

II.5.9.5 Outplacement

A Career Center, operated by BWXT Y-12, is available to those displaced workers at the Oak Ridge complex. Offerings at the Career Center include a variety of services such as resume preparation; correspondence assistance; computer access; job search training; one-on-one

counseling; photocopy, fax, and telephone services; workshops; reference library; and unadvertised job leads. The Career Center, through its website, also allows for resume postings, as well as providing special announcements, workshop schedules, and links to job search sites.

Companies have continued to use the Career Center successfully as an interview location for their open positions, and the Department of Energy prime contractors use the Career Center's services to locate preference-in-hiring eligible employees.

II.5.9.6 Community Transition

The Community Reuse Organization of East Tennessee (CROET) was established in November 1995, replacing the East Tennessee Economic Council as the local CRO. CROET is a not-for-profit economic development organization whose purpose is to assist the private sector in creating quality jobs in the region by using the underutilized land, facilities, equipment, personnel, and technologies available at the Oak Ridge complex. As the CRO for the region, CROET provides the community's single voice to the DOE for community transition issues.

CROET continues to be involved in leasing agreements achieving the re-industrialization of the East Tennessee Technology Park and helping to foster economic development in the affected communities through federal grants. As of September 30, 2001, nearly \$56.1 million has been committed to the CRO and the management and operating contractor, and \$55.5 million has been spent. A total of 5,101 jobs have been created or retained, with an additional 1,166 jobs projected by FY 2005.

Exhibit II.5.9.3 provides a summary of all projects funded between FY 1993 and September 30, 2001.

From FY 1993 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Completed Projects							
Workforce Restructuring Planning Assistance Grant*	\$300,000	\$0	\$300,000	\$217,598	0	\$0	0
Manufacturing Technology	\$10,000,000	\$0	\$10,000,000	\$10,000,000	1,358	\$7,364	1,358
Manufacturing Skills Campus	\$17,302,000	\$0	\$17,302,000	\$17,302,000	1,208	\$14,323	1,208
East Tennessee 2000- Feasibility Studies*	\$100,000	\$0	\$100,000	\$100,000	0	\$0	0
21st Century Jobs Initiative*	\$750,000	\$0	\$750,000	\$717,444	0	\$0	0
Research and Development Initiatives	\$1,500,000	\$0	\$1,500,000	\$1,493,595	12	\$124,466	12
Reuse of DOE Facilities and Land	\$100,000	\$0	\$100,000	\$100,000	0	\$0	0
East Tennessee 2001: Implementing the Vision	\$12,100,000	\$0	\$12,100,000	\$12,100,000	1,245	\$9,719	1,577
City of Oak Ridge/Roane and Anderson Counties' Projects	\$1,100,000	\$0	\$1,100,000	\$1,100,000	598	\$1,839	1,250
National Electronics Center Recycling Project	\$4,000,000	\$0	\$4,000,000	\$4,000,000	29	\$137,931	60
Current Projects							
New Business Development - DOE Small Business Grant	\$2,000,000	\$0	\$2,000,000	\$2,000,000	320	\$6,250	260
East Tennessee 2002	\$6,807,000	\$0	\$6,807,000	\$6,412,604	331	\$19,373	542
Totals	\$56,059,000	\$0	\$56,059,000	\$55,543,241	5,101	\$10,889	6,267

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.9.3 Oak Ridge Complex Community Transition Funding and Job Creation by Project

II.5.9.7 Accomplishments and Lessons Learned

The Adjustment Assistance Coordinating Council, a local stakeholders group hosted by the Department of Energy's Oak Ridge Operations Office, meets at least monthly to share information and concerns. This regular communication has resulted in cooperation among contractors and subcontractors in the Oak Ridge area and enabled questions and concerns about work force restructuring to be resolved more quickly.

A reduction-in-force (RIF) review committee comprising "management and operating" and "management and integrating" contractors reviews all RIF decisions and their justifications prior to approval by top management. Special attention is paid to diversity considerations and to impacts in terms of race, gender, disability, age, national origin, performance, and company service.

The Bechtel Jacobs Company (BJC) continues to provide supervisor training in the nature of a formal Workshop, entitled “Effective Notification.” The training, conducted for supervisors responsible for giving RIF notices to their employees, helps to prevent many misunderstandings that may arise between BJC or supervisors and the affected employees.

BWXT Y-12 has worked with personnel from MK-Ferguson (former DOE construction contractor) for the movement of personnel into the prime contractor’s work force. This has eliminated the need for a large reduction-in-force and has saved money by eliminating the need for severance payments.

The Oak Ridge Institute for Science and Education continued to use reduced work week schedules for some employees due to insufficient funding to maintain their full-time work schedules.

II.5.9.8 Future of the Site

Due to decreased funding, as well as project work completions, BJC is forecasting up to 100 additional reductions in Oak Ridge through the remainder of FY 2002. However, there may be some small increases in staffing at Paducah and Portsmouth.

The Y-12 National Security Complex mission will be integrating and manufacturing, engineering, and developing technologies essential to the national security program with an emphasis on safety and protecting the environment. A major portion of work will be modernization of the site. An emphasis will be placed on hiring and maintaining workers with critical skills. Capability for nuclear weapons component production and quality evaluations will be maintained, as well as that for dismantling and storing nuclear materials from retired weapons systems. No major downsizing initiatives are expected during the year, however, small layoffs may occur as well as a limited amount of new hiring due to skills mix issues.

The Spallation Neutron Source (SNS) is an accelerator-based neutron source being built in Oak Ridge by the Department of Energy. The SNS will provide the most intense-pulsed neutron beams in the world for scientific research and industrial development. The SNS project involves a partnership among six DOE National Laboratories (Argonne, Brookhaven, Lawrence Berkeley, Los Alamos, Oak Ridge, and Thomas Jefferson) and is scheduled for completion in 2006.

The SNS project is on schedule and continues to hire new critical skills and support employees needed to keep the project on target. The subcontracted construction effort will employ up to 400 construction workers including skilled crafts from the local area during peak activity in FY 2002 and FY 2003.

For FY 2002 planning purposes, UT-Battelle assumes that the Oak Ridge National Laboratory's replacement hiring activity will remain rather low and stable with continued hiring of strategic personnel, and the ramp up of personnel at the SNS and in high performance computing areas.

The Oak Ridge Institute for Science and Education is anticipating a need for more involuntary reductions (projected at 20) in FY 2002.

II.5.10 Ohio Field Office

II.5.10.1 Background

The Ohio Field Office is responsible for environmental restoration, waste management, and other Department of Energy (DOE) mission activities at five sites: four in Ohio and one in New York. Of these sites, only Fernald and Mound (each located in Ohio) are designated as defense nuclear facilities.

Fernald (Fernald Environmental Management Project) is a former uranium processing facility which supported the Nation's defense program and is now undergoing environmental remediation. This effort is being managed by Fluor Fernald.

Mound (Miamisburg Environmental Management Project) is a facility at which nuclear research, design, development, manufacturing and testing of nuclear weapons and spacecraft components were done. Mound is also undergoing environmental remediation, and BWX Technologies of Ohio, Inc. is managing this activity.

II.5.10.2 History of Work Force Restructuring

Fernald

Total separations from FY 1993 through FY 2000 numbered 1,242, with 85 percent being voluntary and 15 percent involuntary (Exhibit II.5.10.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	62	192	254
1995	397	0	397
1996	356	0	356
1997	0	0	0
1998	12	0	12
1999	70	0	70
2000	153	0	153
Total	1050	192	1242

Exhibit II.5.10.1 Fernald Contractor Separations**Mound**

Total separations from FY 1993 through FY 2000 numbered 1,045, with 79 percent being voluntary and 21 percent involuntary (Exhibit II.5.10.2).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	409	7	416
1995	173	34	207
1996	185	19	204
1997	28	156	184
1998	31	1	32
1999	2	0	2
2000	0	0	0
Total	828	217	1045

Exhibit II.5.10.2 Mound Contractor Separations**II.5.10.3 Current Work Force Restructuring****Fernald**

In FY 2001, reduction-in-force separations numbered 48, with all being voluntary. An additional 99 separations occurred through attrition (Exhibit II.5.10.3).

Office of Worker and Community Transition

Site: Fernald		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	147	\$0	\$590,260	\$590,260	\$4,015
1.1	Early Retirement	7	\$0	\$128,342	\$128,342	\$18,335
1.2	Non-Retirement Voluntary Separations (Severance Only)	41	\$0	\$461,918	\$461,918	\$11,266
1.3	Attrition	99	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	147	\$0	\$590,260	\$590,260	\$4,015
4.0	Remaining Affected Workers	19	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	19	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$3,179	\$3,179	n/a
5.1	Displaced Worker Medical Benefits	10	\$0	\$3,179	\$3,179	\$318
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	0	\$0	\$0	\$0	\$0
6.0	Total Costs for Fiscal Year 2001	n/a	\$0	\$593,439	\$593,439	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	147	n/a	n/a	n/a	\$4,965
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	41	n/a	n/a	n/a	\$14,671
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.10.3 Fernald Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 3

Preference-in-Hiring Placements in FY 2001: 0

Mound

In FY 2001, reduction-in-force separations numbered 156, with 37 being voluntary and 119 involuntary. An additional 48 separations occurred through attrition (Exhibit II.5.10.4).

Office of Worker and Community Transition

	Site: Mound	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	85	\$0	\$651,907	\$651,907	\$7,669
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	37	\$0	\$651,907	\$651,907	\$17,619
1.3	Attrition	48	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	119	\$0	\$1,259,031	\$1,259,031	\$10,580
2.1	With Benefits (Severance Only)	107	\$0	\$1,259,031	\$1,259,031	\$11,767
2.1.1	Non-Construction Workers	107	\$0	\$1,259,031	\$1,259,031	\$11,767
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	12	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	204	\$0	\$1,910,938	\$1,910,938	\$9,367
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$87,362	\$87,362	n/a
5.1	Displaced Worker Medical Benefits	74	\$0	\$79,197	\$79,197	\$1,070
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	4	\$0	\$8,165	\$8,165	\$2,041
6.0	Total Costs for Fiscal Year 2001	n/a	\$0	\$1,998,300	\$1,998,300	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	204	n/a	n/a	n/a	\$11,771
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	37	n/a	n/a	n/a	\$21,024
9.0	Involuntary Separations (All Benefits) ¹	107	n/a	n/a	n/a	\$15,172

¹ Includes historical average cost of other benefits per recipient.

Note: Attrition (line 1.3) includes 6 workers who received severance. Costs associated with attrition are not tracked via this spreadsheet.

Exhibit II.5.10.4 Mound Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 0

Preference-in-Hiring Placements in FY 2001: 0

II.5.10.4 Costs and Cost Savings

Fernald

The total work force restructuring cost incurred in FY 2001 was \$593,439. The estimated fully-burdened cost per non-retirement voluntary separation was \$14,671 (Exhibit II.5.10.3). The estimated savings in salary and benefits for the 48 reduction-in-force separations are \$3.9 million.

Mound

The total work force restructuring cost incurred in FY 2001 was \$1,998,300. The estimated fully-burdened cost per non-retirement voluntary separation was \$21,024 and \$15,172 per involuntary separation (Exhibit II.5.10.4). The estimated savings in salary and benefits for the 156 reduction-in-force separations are \$12.5 million.

II.5.10.5 Outplacement

Fernald

During FY 2001, Fernald operated an onsite career development center (CDC). The CDC provided assistance to employees in resume preparation, interviewing skills, networking skills, and outplacement networks within Fluor Fernald and the local community to include onsite job fairs. Fernald also offered a tuition reimbursement program for employees. In FY 2001, the CDC had nearly 250 employees enrolled in degree programs through various local accredited colleges and universities.

Mound

During the FY 2001 voluntary and involuntary separation programs, BWX Technologies of Ohio, requested the State of Ohio to provide outplacement assistance to Mound's large number of separating employees. A grant was provided from the State for obtaining additional resources.

II.5.10.6 Community Transition

Fernald

The Fernald CRO was placed in inactive status in FY 2001 and is expected to continue in FY 2002. As of September 30, 2001, \$460,281 had been committed to the CRO, of which all has been spent.

Exhibit II.5.10.5 provides a summary of the planning grant funded between FY 1997 and September 30, 2001.

From FY 1997 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2003 (Estimated)
Start Up/Planning Grant*	\$460,281	\$0	\$460,281	\$460,281	0	\$0	1,150
Totals	\$460,281	\$0	\$460,281	\$460,281	0	\$0	1,150

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.10.5 Fernald Community Transition Funding and Job Creation by Project

Mound

The closure of the DOE Mound facility initiated new roles and responsibilities for DOE and led to the establishment of the Miamisburg Mound Community Improvement Corporation (MMCIC). The MMCIC is a not-for-profit corporation established by the City of Miamisburg to redevelop and reuse the DOE site as well as transfer Mound surplus assets for reuse. The MMCIC was chartered with the vision of establishing Mound as an economically-viable, privately-owned technology and industry center by 2005 called the Mound Advanced Technology Center. In response to the challenges presented by the commercialization of the Mound facility, the MMCIC developed the *Miamisburg Mound Comprehensive Reuse Plan*. This plan details a long-range development plan and implementation strategy for the Mound transition.

The intent of the MMCIC transition effort is to abate the loss of jobs and unique technological capabilities; provide continued economic benefits to the Mound work force, the local community, the region, the state and the Federal Government; transfer a clean site to the local community; and successfully transition the Mound site to Mound-based private businesses.

As of September 30, 2001, a total of \$24.7 million has been committed to the CRO, of which \$13.9 million has been spent. A total of 561 jobs have, thus far, been created or retained, with an additional 569 jobs projected by FY 2005.

Exhibit II.5.10.6 provides a summary of all projects funded between FY 1994 and September 30, 2001.

From FY 1994 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Total Miamisburg Mound Economic Development Plan	\$13,950,000	\$200,000	\$14,150,000	\$12,178,944	561	\$21,709	1,130
Facilities Transition Grant	\$10,000,000	\$0	\$10,000,000	\$1,748,042	0	\$0	0
Work Authorization Directive Fund	\$550,000	\$0	\$550,000	\$0	0	\$0	0
Totals	\$24,500,000	\$200,000	\$24,700,000	\$13,926,986	561	\$24,825	1,130

Exhibit II.5.10.6 Mound Community Transition Funding and Job Creation by Project

II.5.10.7 Accomplishments and Lessons Learned

Fernald

Fluor Fernald uses a manpower planning system (MPS) to project the number and skill mix of workers needed to complete project work based on milestone time lines. The Fluor Fernald senior management team will use the MPS to help project any shifts in skill mix and the level of staffing needed to continue to meet or exceed the milestone time lines.

Mound

Voluntary and, when necessary, involuntary separation programs have been successful in meeting reduction-in-force goals in prior years. The manpower planning system will continue to be used to ensure that the right skill mix is available to right-size the work force necessary in meeting the goal of closure by 2006.

II.5.10.8 Future of the Sites

When Fernald and Mound eventually close (target date is 2006), contractor employees will no longer work for the Department of Energy (DOE). The Department is working with community reuse organizations to identify reuse options for the assets of each site. Its goal is to encourage communities to shift from dependence on DOE as a key source of employment to dependence on private-sector business activity.

II.5.11 Paducah and Portsmouth Gaseous Diffusion Plants

II.5.11.1 Background

The Paducah Gaseous Diffusion Plant (Paducah) began production of enriched uranium in 1952. Its mission of uranium enrichment has remained unchanged, and the original facilities are still in operation, albeit substantially upgraded and refurbished. Paducah is located in Kentucky.

The Portsmouth Gaseous Diffusion Plant (Portsmouth), built in the 1950s, was needed to provide uranium-235 at rates substantially above those of the existing production facilities at Oak Ridge, Tennessee, and Paducah, Kentucky. Portsmouth was chosen in the late 1970s as the site for a new enrichment facility using gas centrifuge technology. Construction, however, was halted in 1985 because the demand for enriched uranium decreased, and laser technology promised a more efficient and economical supply of enriched uranium for the future. Uranium enrichment activities ceased in May 2001. Portsmouth is located in Ohio.

The Energy Policy Act of 1992 mandated that the management of the uranium enrichment enterprise at Paducah and Portsmouth be assumed by the United States Enrichment Corporation, Inc. (USEC). As a result, the Department of Energy (DOE) and USEC entered into a 6-year lease, effective July 1, 1993.

USEC, the sole producer of enriched uranium in the United States, became a private corporation on July 28, 1998. USEC is the world's leading supplier of enriched uranium fuel for commercial nuclear power plants.

II.5.11.2 History of Work Force Restructuring

Paducah

Total separations from FY 1997 through FY 2000 numbered 222, with 86 percent being voluntary and 14 percent involuntary (Exhibit II.5.11.1).

Fiscal Year	Voluntary	Involuntary	Total
1997	7	7	14
1998	4	0	4
1999	77	0	77
2000	104	23	127
Total	192	30	222

Exhibit II.5.11.1 Paducah Contractor Separations**Portsmouth**

Total separations from FY 1995 through FY 2000 numbered 685, with 75 percent being voluntary and 25 percent involuntary (Exhibit II.5.11.2).

Fiscal Year	Voluntary	Involuntary	Total
1995	49	0	49
1996	40	0	40
1997	37	67	104
1998	53	0	53
1999	130	0	130
2000	206	103	309
Total	515	170	685

Exhibit II.5.11.2 Portsmouth Contractor Separations**II.5.11.3 Current Work Force Restructuring****Paducah**

In FY 2001, reduction-in-force separations numbered 25, with 23 being voluntary and 2 involuntary (Exhibit II.5.11.3).

Office of Worker and Community Transition

	Site: Paducah	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	23	\$280,723	\$0	\$280,723	\$12,205
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	23	\$280,723	\$0	\$280,723	\$12,205
1.3	Attrition	0	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	2	\$0	\$34,201	\$34,201	\$17,101
2.1	With Benefits (Severance Only)	2	\$0	\$34,201	\$34,201	\$17,101
2.1.1	Non-Construction Workers	2	\$0	\$34,201	\$34,201	\$17,101
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	25	\$280,723	\$34,201	\$314,924	\$12,597
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$30,203	\$0	\$30,203	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	3	\$15,000	\$0	\$15,000	\$5,000
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	6	\$15,203	\$0	\$15,203	\$2,534
6.0	Total Costs for Fiscal Year 2001	n/a	\$310,926	\$34,201	\$345,127	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	25	n/a	n/a	n/a	\$16,002
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	23	n/a	n/a	n/a	\$15,610
9.0	Involuntary Separations (All Benefits) ¹	2	n/a	n/a	n/a	\$20,506

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.11.3 Paducah Work Force Restructuring Summary

Portsmouth

In FY 2001, reduction-in-force separations numbered 335, with 293 being voluntary and 42 involuntary (Exhibit II.5.11.4).

Office of Worker and Community Transition

	Site: Portsmouth	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	293	\$2,780,225	\$1,210,216	\$3,990,441	\$13,619
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	293	\$2,780,225	\$1,210,216	\$3,990,441	\$13,619
1.3	Attrition	0	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	42	\$0	\$383,896	\$383,896	\$9,140
2.1	With Benefits (Severance Only)	42	\$0	\$383,896	\$383,896	\$9,140
2.1.1	Non-Construction Workers	42	\$0	\$383,896	\$383,896	\$9,140
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	335	\$2,780,225	\$1,594,112	\$4,374,337	\$13,058
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$834,026	\$0	\$834,026	n/a
5.1	Displaced Worker Medical Benefits	123	\$473,218	\$0	\$473,218	\$3,847
5.2	Relocation Assistance	14	\$44,287	\$0	\$44,287	\$3,163
5.3	Separating or Separated Workers Using Outplacement	253	\$204,009	\$0	\$204,009	\$806
5.4	Education Assistance for Separated Workers	91	\$112,512	\$0	\$112,512	\$1,236
6.0	Total Costs for Fiscal Year 2001	n/a	\$3,614,251	\$1,594,112	\$5,208,363	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	335	n/a	n/a	n/a	\$16,463
8.0	Non-Retirement Voluntary Separations (All Benefits) ¹	293	n/a	n/a	n/a	\$17,024
9.0	Involuntary Separations (All Benefits) ¹	42	n/a	n/a	n/a	\$12,545

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.11.4 Portsmouth Work Force Restructuring Summary

II.5.11.4 Costs and Cost Savings

Paducah

The total work force restructuring cost incurred in FY 2001 was \$345,127. The estimated fully-burdened cost per non-retirement voluntary separation was \$15,610 and \$20,506 per involuntary separation (Exhibit II.5.11.3). The estimated savings in salary and benefits for the 25 reduction-in-force separations are \$2 million.

Portsmouth

The total work force restructuring cost incurred in FY 2001 was \$5,208,363. The estimated fully-burdened cost per non-retirement voluntary separation was \$17,024 and \$12,545 per involuntary separation (Exhibit II.5.11.4). The estimated savings in salary and benefits for the 335 reduction-in-force separations are \$26.9 million.

II.5.11.5 Outplacement

Career Resource Centers are located at both Paducah and Portsmouth. The Centers are available to assist displaced workers in developing career plans, executing job searches, and looking for retraining and employment opportunities. They also provide aptitude and skills assessments; job analysis (present and future); information on job demand and supply; wage information; and access to school, training, and unemployment information. Other services include assistance in preparing resumes and cover letters, filling out requests for training records and transcripts, and reproducing and transmitting materials. A library of resource materials is located at each Center.

II.5.11.6 Community Transition

Paducah

The Paducah-Area CRO PACRO was established in August 1997 to mitigate the effects of DOE restructuring at the Paducah Gaseous Diffusion Plant in Paducah, Kentucky. The PACRO impact area was designed to represent the counties in which the majority of the Paducah work force live-- McCracken, Ballard, Graves, and Marshall Counties in western Kentucky, and Massac County in Southern Illinois.

As of September 30, 2001, a total of \$8.4 million has been committed to the CRO, of which nearly \$6.2 million have been spent. A total of 294 jobs have been created, with an additional 445 jobs expected to be created by FY 2005.

Exhibit II.5.11.5 reflects DOE Planning Grant funds allocated to and expended by the PACRO between FY 1997 and September 30, 2001.

FY 1997 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
FY 1998 Planning Grant*	\$400,000	\$0	\$400,000	\$400,000	0	\$0	0
Entrepreneurial Development	\$608,218	\$0	\$608,218	\$504,537	45	\$11,212	60
Industrial Parks, Sites & Spec Buildings	\$5,486,410	\$0	\$5,486,410	\$4,401,781	183	\$24,053	548
Facility Reuse	\$398,000	\$0	\$398,000	\$214,992	0	\$0	40
Regional Marketing	\$115,000	\$0	\$115,000	\$34,159	0	\$0	10
Workforce Reuse	\$439,500	\$0	\$439,500	\$151,646	66	\$2,298	44
Existing Business and Industry	\$372,397	\$0	\$372,397	\$94,717	0	\$0	37
Administration*	\$580,475	\$0	\$580,475	\$373,660	0	\$0	0
Totals	\$8,400,000	\$0	\$8,400,000	\$6,175,492	294	\$21,005	739

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.11.5 Paducah Community Transition Funding and Job Creation by Project

Portsmouth

The Southern Ohio Diversification Initiative (SODI) was incorporated in July 1997 to serve as the CRO for the DOE Portsmouth site. Prior to incorporation, a \$500,000 planning grant was awarded to the Ohio Valley Regional Development Commission (OVRDC) for community transition activities. SODI operated under the auspices of OVRDC from February 1996 until DOE implementation funds were awarded in 1998.

As of September 30, 2001, a total of nearly \$13.5 million had been committed to SODI for implementation of community transition projects, about \$9.4 million of which have been spent. A total of 711 jobs have been created, with an additional 2,198 jobs expected to be created by FY 2005.

Exhibit II.5.11.6 provides a summary of all projects funded between FY 1997 and September 30, 2001.

From FY 1997 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Zahn's Corner	\$2,750,000	\$0	\$2,750,000	\$2,129,055	300	\$7,097	600
New Boston Industrial Park	\$2,550,000	\$0	\$2,550,000	\$1,800,000	150	\$12,000	535
Jackson County Speculative Building	\$650,000	\$0	\$650,000	\$650,000	0	\$0	300
Worker Training Facility/Program	\$500,000	\$0	\$500,000	\$4,000	0	\$0	0
Gateway Industrial Park	\$950,000	\$0	\$950,000	\$900,000	30	\$30,000	500
Reindustrialization	\$250,000	\$0	\$250,000	\$104,304	90	\$1,159	225
Enterprise Training and Development	\$1,000,000	\$0	\$1,000,000	\$950,000	77	\$12,338	125
Pike County Airport	\$280,000	\$0	\$280,000	\$255,000	0	\$0	4
Regional GIS*	\$1,399,996	\$0	\$1,399,996	\$1,399,996	0	\$0	0
Mead Sublease from DOE	\$0	\$0	\$0	\$0	0	\$0	25
OVRDC Planning Grant	\$500,000	\$0	\$500,000	\$500,000	60	\$8,333	60
Southern Ohio Labor Market Analysis*	\$30,000	\$0	\$30,000	\$30,000	0	\$0	0
Incubator Facility	\$385,000	\$0	\$385,000	\$0	0	\$0	480
Business Seed Fund	\$350,000	\$0	\$350,000	\$0	0	\$0	35
Regional Marketing*	\$350,000	\$0	\$350,000	\$0	0	\$0	0
Intermodal Facility	\$300,000	\$0	\$300,000	\$21,341	0	\$0	15
Administration*	\$1,205,004	\$0	\$1,205,004	\$655,099	4	\$0	5
Totals	\$13,450,000	\$0	\$13,450,000	\$9,398,795	711	\$13,219	2,909

* Funds used for planning and administrative purposes. Job creation not intended.

Exhibit II.5.11.6 Portsmouth Community Transition Funding and Job Creation by Project

II.5.11.7 Accomplishments and Lessons Learned

The relocation and consolidation of the uranium enrichment transfer and shipping operations from Portsmouth to Paducah will result in estimated annual cost savings of about \$40 million beginning in fiscal year 2003. The cost savings will result from appropriate work force restructuring actions at Portsmouth and lower overhead, utilities and materials costs.

II.5.11.8 Future of the Sites

Uranium enrichment transfer and shipping operations will be relocated from Portsmouth to Paducah, with completion expected by the summer of 2002. This may impact some 440 USEC positions at Portsmouth starting in June 2002 and continuing over an estimated 6-month period. This consolidation effort is also expected to create between 30 to 50 new jobs at Paducah.

Portsmouth will be placed in a cold standby mode to ensure an adequate supply of domestic uranium enrichment.

II.5.12 Pantex Plant

II.5.12.1 Background

The Pantex Plant (Pantex) provides the capabilities to assemble nuclear and non-nuclear components into nuclear weapons, to disassemble retired nuclear weapons, and to perform surveillance activities to ensure stockpile reliability and safety. Pantex, located in Texas, is managed by BWX Technologies Pantex, LLC.

II.5.12.2 History of Work Force Restructuring

Total separations from FY 1997 through FY 2000 numbered 564, with all being voluntary (Exhibit II.5.12.1).

Fiscal Year	Voluntary	Involuntary	Total
1997	407	0	407
1998	64*	0	64
1999	16*	0	16
2000	77	0	77
Total	564	0	564

* All through attrition.

Exhibit II.5.12.1 Pantex Plant Contractor Separations

II.5.12.3 Current Work Force Restructuring

In FY 2001, there were no reduction-in-force separations. However, 109 separations did occur through attrition (Exhibit II.5.12.2).

	Site: Pantex Plant	FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	109	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	109	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	109	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$0	\$38,402	\$38,402	n/a
5.1	Displaced Worker Medical Benefits	9	\$0	\$24,263	\$24,263	\$2,696
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	6	\$0	\$14,139	\$14,139	\$2,357
6.0	Total Costs for Fiscal Year 2001	n/a	\$0	\$38,402	\$38,402	n/a
7.0	Work Force Restructuring Separations (Average Cost)	109	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.12.2 Pantex Plant Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 8

Preference-in-Hiring Placements in FY 2001: 0

II.5.12.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at Pantex was \$38,402, which funded medical benefits and education assistance for separated workers. No costs were incurred for relocation assistance or outplacement (Exhibit II.5.12.2).

II.5.12.5 Outplacement

There were no outplacement services offered at Pantex during FY 2001.

II.5.12.6 Accomplishments and Lessons Learned

Pantex continues to conduct detailed work force planning by integrating work scope, priorities, skill mix, funding, facility availability and work force demographic and historical analysis to plan for future needs. Proactive hiring prepares Pantex for future work while retaining critical skills.

II.5.12.7 Future of the Site

Work on the Weapons Life Extension Program is considered essential and will continue for the next decade. The Pantex budgeted workload for FY 2002 will support a population increase to approximately 3,100. Projections call for a relatively stable worker population through FY 2005, then increases in projected workload for Weapons Life Extension Program activities, together with increased surveillance activities, will require an increase in staff. These higher staff levels will continue from FY 2006 through FY 2016, at which point the workload will again level off, the focus being continued evaluation and maintenance of the stockpile.

II.5.13 Pinellas Plant

II.5.13.1 Background

The Pinellas Plant (Pinellas) manufactured neutron generators and other components from 1957 to 1994. In FY 1994, the Department of Energy (DOE) initiated its weapons complex reconfiguration plan, which included termination of all defense programs activities at the Pinellas Plant. The decision was announced to close Pinellas and to eliminate the just over 1,000 jobs by the end of FY 1997. From FY 1994 through FY 1997, the Pinellas Plant was placed in a safe condition, contaminated areas were cleaned, and all site property, materials, equipment, and records were disposed of. The Department sold the Pinellas Plant to a local economic development agency in FY 1995. Pinellas is located in Florida.

The Pinellas work force restructuring effort was efficient and effective in transitioning the Pinellas Plant from weapons production to commercial use resulting in benefits to both the Department and the community. The Pinellas community no longer associates DOE with the Pinellas Plant. The Department has successfully concluded the work force restructuring, cleanup, and contract closeout activities at Pinellas.

II.5.13.2 Community Transition

In August 1993, the Pinellas Community formed a task force consisting of national, state, local, political, business and special interest organizations that would be impacted by ending the Pinellas Plant mission. The task force developed the *Pinellas Plant Future Use Plan* proposing activities to develop non-defense uses for the technology and the work force to help mitigate the effects of phasing out the weapons mission at Pinellas. The original stakeholder structure evolved into the present CRO in 1994, and was recognized by the DOE in January 1995.

As of September 30, 2001, a total of \$20.3 million has been committed to the CRO; \$18.9 million of which has been spent. A total of 2,907 jobs have been created or retained, with an additional 603 projected by the year 2005.

Exhibit II.5.13.1 provides a summary of all projects funded between FY 1994 and FY 2001.

From FY 1994 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Innovation Commercialization Program	\$587,000	\$0	\$587,000	\$587,000	450	\$1,304	450
Pinellas Plant Sale	\$12,292,900	\$0	\$12,292,900	\$10,957,300	2,197	\$4,987	2,800
Pinellas Plant Seed Projects	\$1,275,000	\$0	\$1,275,000	\$1,275,000	24	\$53,125	24
Pinellas Plant Spin-Offs	\$200,000	\$0	\$200,000	\$200,000	9	\$22,222	9
Seed/Challenge Funds	\$579,700	\$0	\$579,700	\$579,700	15	\$38,647	15
Suncoast Manufacturing Technology Center	\$334,700	\$0	\$334,700	\$334,700	125	\$2,678	125
Technology Deployment Center	\$4,388,000	\$0	\$4,388,000	\$4,388,000	87	\$50,437	87
Community Stakeholder Planning*	\$400,000	\$100,000	\$500,000	\$500,000	0	0	0
CRO Administration*	\$159,920	\$0	\$159,920	\$73,300	0	\$0	0
Totals	\$20,217,220	\$100,000	\$20,317,220	\$18,895,000	2,907	\$6,500	3,510

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.13.1 Pinellas Plant Community Transition Funding and Job Creation by Project

II.5.14 Rocky Flats Environmental Technology Site

II.5.14.1 Background

The Rocky Flats Environmental Technology Site (RFETS) is an environmental cleanup site managed by Kaiser-Hill Company, LLC and its team of major subcontractors. Originally established as a nuclear weapons production facility, RFETS' mission has now evolved to one of environmental cleanup. It is designated by the U.S. Environmental Protection Agency as a Superfund Cleanup Site and is on the National Priorities List for cleanup. RFETS is located in Colorado.

II.5.14.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2000 numbered 5,025, with 76 percent being voluntary and 24 percent involuntary (Exhibit II.5.14.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	922	133	1055
1995	1844	367	2211
1996	619	339	958
1997	192	97	289
1998	160	84	244
1999	86	53	139
2000	0	129	129
Total	3832	1202	5025

Exhibit II.5.14.1 Rocky Flats Environmental Technology Site Contractor Separations

II.5.14.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 124, with all being involuntary (Exhibit II.5.14.2).

Office of Worker and Community Transition

Site: Rocky Flats Environmental Technology Site		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	0	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	0	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	124	\$0	\$1,933,984	\$1,933,984	\$15,597
2.1	With Benefits (Severance Only)	124	\$0	\$1,933,984	\$1,933,984	\$15,597
2.1.1	Non-Construction Workers	121	\$0	\$1,921,055	\$1,921,055	\$15,876
2.1.2	Construction Workers	3	\$0	\$12,929	\$12,929	\$4,310
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	124	\$0	\$1,933,984	\$1,933,984	\$15,597
4.0	Remaining Affected Workers	99	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	83	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	16	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$492,491	\$233,024	\$725,515	n/a
5.1	Displaced Worker Medical Benefits	132	\$0	\$233,024	\$233,024	\$1,765
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	928	\$407,863	\$0	\$407,863	\$440
5.4	Education Assistance for Separated Workers	22	\$84,628	\$0	\$84,628	\$3,847
6.0	Total Costs for Fiscal Year 2001	n/a	\$492,491	\$2,167,008	\$2,659,499	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	124	n/a	n/a	n/a	\$19,002
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	124	n/a	n/a	n/a	\$19,002

¹ Includes historical average cost of other benefits per recipient.

Exhibit II.5.14.2 Rocky Flats Environmental Technology Site Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 25

Rehires in FY 2001: 28

Preference-in-Hiring Placements in FY 2001: 4

II.5.14.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at RFETS was \$2,659,499. The estimated fully-burdened cost per involuntary separation was \$19,002 (Exhibit II.5.14.2). The estimated savings in salary and benefits for the 124 reduction-in-force separations are \$10 million.

II.5.14.5 Outplacement

The Rocky Flats Career Transition Center offers a variety of services to current and displaced RFETS workers. These services include: resume preparation; correspondence assistance;

computer job bank access; job search training; one-on-one career counseling; photocopy, fax and telephone services; reference library; Internet access; unadvertised job leads; career path assessment; and job search support groups. Additionally, various workshops are conducted which cover such areas as unemployment survivability, job search techniques including information regarding "hidden markets," and interview practice. The Center also administers the displaced worker retraining program, which provides tuition reimbursement to eligible displaced workers.

II.5.14.6 Community Transition

The Rocky Flats Coalition of Local Governments (Coalition) was established in February 1999 by an Intergovernmental Agreement among the seven local governments that border Rocky Flats Environmental Technology Site or own open space adjacent to the Site--Boulder County, Jefferson County, the cities of Arvada, Boulder, Broomfield, Westminster, and the Town of Superior. The Coalition was designated as the Department of Energy community reuse organization (CRO) for Rocky Flats in June 1999.

The mission of the Coalition is to provide an effective vehicle for local governments in the vicinity of Rocky Flats and their citizens to work together on issues of mutual concern relating to the safe, prompt, and effective cleanup and closure of Rocky Flats. The Coalition also works on future use and long-term protection issues, worker protection and health issues, and facilitates communication between state and Federal Agencies and elected officials. As of September 30, 2001, a total of \$500,000 has been committed to the CRO and all of this sum has been spent.

Exhibit II.5.14.3 provides a summary of funding between FY 1999 and FY 2001.

From FY 1999 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2003 (Estimated)
Rocky Flats Coalition of Local Governments Operations*	\$500,000	\$0	\$500,000	\$500,000	0	\$0	0
Totals	\$500,000	\$0	\$500,000	\$500,000	0	\$0	0

* Funds used for planning or administrative purposes. Job creation not intended.

Exhibit II.5.14.3 Rocky Flats Environmental Technology Site Community Transition Funding and Job Creation by Project

II.5.14.7 Accomplishments and Lessons Learned

In its effort to continue to align benefits programs to the closure mission, Kaiser-Hill continues to provide a number of major initiatives during 2001. A few examples include:

Enhancing the salaried benefit retirement plan and adding a lump-sum settlement option for employees who stay until their job is no longer needed.

Liberalizing the tuition reimbursement program to allow employees to take course work in traditional and non-traditional disciplines.

Offering financial planning seminars to employees and their spouses.

Onsite career transition center to support the personal closure plans of all eligible active and separated employees.

II.5.14.8 Future of the Site

Upon reducing the historical hazards and safely restoring the land for beneficial public use, management's key priority is to bring about closure of RFETS by a target date of December 15, 2006, or earlier.

II.5.15 Sandia National Laboratories

II.5.15.1 Background

Sandia National Laboratories (Sandia), one of the largest research and development facilities in the Nation, is managed and operated by Sandia Corporation, a wholly-owned subsidiary of Lockheed Martin Corporation. Scientific and engineering solutions are provided to meet national needs in nuclear weapons and related defense systems, energy security, and environmental integrity, and to address emerging national challenges for both government and industry. Sandia has facilities in New Mexico and California.

II.5.15.2 History of Work Force Restructuring

Total separations from FY 1995 through FY 2000 numbered 1,773, with 98 percent being voluntary and 2 percent involuntary (Exhibit II.5.15.1).

Fiscal Year	Voluntary	Involuntary	Total
1995	463*	19	482
1996	585	10	595
1997	481	0	481
1998	7	12	19
1999	0	0	0
2000	194**	2	196**
Total	1730	43	1773

* All through attrition.

** Revised from that shown in FY 2000 annual report.

Exhibit II.5.15.1 Sandia National Laboratories Contractor Separations

II.5.15.3 Current Work Force Restructuring

In FY 2001, there were no reduction-in-force separations. However, 401 separations did occur through attrition (Exhibit II.5.15.2).

Office of Worker and Community Transition

Site: Sandia National Laboratories		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	401	\$0	\$0	\$0	\$0
1.1	Early Retirement	0	\$0	\$0	\$0	\$0
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	401	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	0	\$0	\$0	\$0	\$0
2.1	With Benefits (Severance Only)	0	\$0	\$0	\$0	\$0
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	0	\$0	\$0	\$0	\$0
2.2	Without Benefits	0	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	401	\$0	\$0	\$0	\$0
4.0	Remaining Affected Workers	0	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	0	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$40,091	\$0	\$40,091	n/a
5.1	Displaced Worker Medical Benefits	0	\$0	\$0	\$0	\$0
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	47	\$40,091	\$0	\$40,091	\$853
6.0	Total Costs for Fiscal Year 2001	n/a	\$40,091	\$0	\$40,091	n/a
7.0	Work Force Restructuring Separations (Average Cost)	401	n/a	n/a	n/a	\$0
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0

Exhibit II.5.15.2 Sandia National Laboratories Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 55

Preference-in-Hiring Placements in FY 2001: 0

II.5.15.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at Sandia was \$40,091, which funded education assistance for separated workers. No costs were incurred for medical benefits, relocation assistance, or outplacement (Exhibit II.5.15.2).

II.5.15.5 Outplacement

There were no outplacement services offered at Sandia during FY 2001.

II.5.15.6 Community Transition

Albuquerque

In May 1998, DOE first funded the City of Albuquerque to conduct a strengths, weaknesses, opportunities and threats analysis to assist the City with possible job losses resulting from a downsizing at the Sandia National Laboratory. The Business Technology Group, the predecessor to the Next Generation Economy, was established in January 1999 to serve as the CRO for Central New Mexico. In December 1999, the "Next Generation Economy Initiative" was created which later evolved into Next Generation, Inc. and was designated as the CRO for Central New Mexico in September 2000.

As of September 30, 2001, DOE has committed a total of \$1,150,000, of which \$858,390 has been spent on community development projects in Central New Mexico. A total of 591 jobs have been created in the region, with an additional 1,419 jobs expected to be created by FY 2005.

Exhibit II.5.15.3 provides a summary of all projects funded between FY 1996 and September 30, 2001.

From FY 1996 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
Business Technology	\$100,000	\$0	\$100,000	\$100,000	0	\$0	0
City of Albuquerque*	\$350,000	\$0	\$350,000	\$341,984	0	\$0	0
Next Generation Economy Initiative*	\$500,000	\$0	\$500,000	\$216,406	3	\$72,135	810
Science and Technology Park Development Corporation Master Plan	\$200,000	\$0	\$200,000	\$200,000	588	\$340	1,200
Totals	\$1,150,000	\$0	\$1,150,000	\$858,390	591	\$1,452	2,010

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.15.3 Albuquerque Community Transition Funding and Job Creation by Project

II.5.15.7 Accomplishments and Lessons Learned

The fact that there were no reduction-in-force separations in FY 2001 highlights the success of Sandia's re-engineering efforts. With over 2 years in development, Sandia implemented and communicated its policy describing the decisionmaking principles regarding realignment, the responsibilities of Sandia's executives, managers, and employees in the overall process, as well as the events which mark progress throughout this process.

II.5.15.8 Future of the Site

The current size of the Laboratories appears to be at an affordable level and will permit a hiring program that will strengthen its efforts in cutting-edge technologies. It is expected that an ongoing process of internal movement, retraining of employees, and normal attrition will accommodate any staffing impacts.

II.5.16 Savannah River Site

II.5.16.1 Background

The Savannah River Site (SRS) is managed and operated by Westinghouse Savannah River Company (WSRC) and its team of contractors. SRS focuses on nuclear weapons stockpile stewardship emphasizing a science-based approach; nuclear materials stewardship, that is, management of excess of nuclear materials, including transportation, stabilization, storage, and disposition to support nuclear nonproliferation initiatives; and environmental stewardship, which involves management, treatment, and disposal of radioactive and non-radioactive wastes from past, present, and future operations. This stewardship also includes pollution prevention and restoration of the environment impacted by site operations. SRS is located in South Carolina.

II.5.16.2 History of Work Force Restructuring

Total separations from FY 1993 through FY 2000 numbered 8,470, with 73 percent being voluntary and 27 percent involuntary (Exhibit II.5.16.1).

Fiscal Year	Voluntary	Involuntary	Total
1993/94	2078*	30	2108
1995	2786	711	3497
1996	694	398	1092
1997	398	750	1148
1998	11**	138	149
1999	0	196	196
2000	208	72	280
Total	6175	2295	8470

* Includes 870 separations through attrition that were not shown in FY 1993/94 annual report.

** All through attrition.

Exhibit II.5.16.1 Savannah River Site Contractor Separations

II.5.16.3 Current Work Force Restructuring

In FY 2001, reduction-in-force separations numbered 152, with 50 being voluntary and 102 involuntary. An additional 421 separations occurred through attrition (Exhibit II.5.16.2).

Office of Worker and Community Transition

Site: Savannah River Site		FY 2001				
		Number of Workers	Enhanced Costs	Program Costs	Total Costs	Total Cost/Recip.
1.0	Voluntary Separations	471	\$0	\$1,445,161	\$1,445,161	\$3,068
1.1	Early Retirement	50	\$0	\$1,445,161	\$1,445,161	\$28,903
1.2	Non-Retirement Voluntary Separations (Severance Only)	0	\$0	\$0	\$0	\$0
1.3	Attrition	421	n/a	n/a	n/a	n/a
2.0	Involuntary Separations	102	\$68,410	\$0	\$68,410	\$671
2.1	With Benefits (Severance Only)	16	\$68,410	\$0	\$68,410	\$4,276
2.1.1	Non-Construction Workers	0	\$0	\$0	\$0	\$0
2.1.2	Construction Workers	16	\$68,410	\$0	\$68,410	\$4,276
2.2	Without Benefits	86	n/a	n/a	n/a	n/a
3.0	Work Force Restructuring Separations and Costs (Lines 1.0 + 2.0)	573	\$68,410	\$1,445,161	\$1,513,571	\$2,641
4.0	Remaining Affected Workers	64	\$0	\$0	\$0	\$0
4.1	Workers Placed Internally Without Retraining	0	n/a	n/a	n/a	n/a
4.2	Workers Placed Internally Through Retraining Programs	0	\$0	\$0	\$0	\$0
4.3	Workers Transferred to Other Sites	64	n/a	n/a	n/a	n/a
5.0	Other Benefits Provided	n/a	\$43,140	\$150,151	\$193,291	n/a
5.1	Displaced Worker Medical Benefits	39	\$0	\$150,151	\$150,151	\$3,850
5.2	Relocation Assistance	0	\$0	\$0	\$0	\$0
5.3	Separating or Separated Workers Using Outplacement	0	\$0	\$0	\$0	\$0
5.4	Education Assistance for Separated Workers	17	\$43,140	\$0	\$43,140	\$2,538
6.0	Total Costs for Fiscal Year 2001	n/a	\$111,550	\$1,595,312	\$1,706,862	n/a
7.0	Work Force Restructuring Separations (Average Cost) ¹	573	n/a	n/a	n/a	\$2,737
8.0	Non-Retirement Voluntary Separations (All Benefits)	0	n/a	n/a	n/a	\$0
9.0	Involuntary Separations (All Benefits) ¹	16	n/a	n/a	n/a	\$7,681

¹ Includes historical average cost of other benefits per recipient.

Note: An additional \$716,167 in FY 2001 program costs were paid for accrued vacation time to 36 workers who took early retirement.

Exhibit II.5.16.2 Savannah River Site Work Force Restructuring Summary

Separations Due to Outsourcing in FY 2001: 0

Rehires in FY 2001: 238

Preference-in-Hiring Placements in FY 2001: 6

II.5.16.4 Costs and Cost Savings

The total work force restructuring cost incurred in FY 2001 at SRS was \$1,706,862. The estimated fully-burdened cost per involuntary separation was \$7,681 (Exhibit II.5.16.2). The estimated savings in salary and benefits for the 152 reduction-in-force separations are \$12.2 million.

II.5.16.5 Outplacement

There were no outplacement assistance services needed during FY 2001.

II.5.16.6 Community Transition

From its inception in 1993 to the present day, the Savannah River Regional Diversification Initiative (SRRDI) has received \$12.6 million in funds committed from the Department of Energy to implement an economic development program to mitigate the adverse effects caused by downsizing at SRS. As determined by legislative action in November 1993, this program encompasses the region surrounding SRS, which includes Aiken, Allendale, and Barnwell counties in South Carolina, and Richmond and Columbia counties in Georgia. SRRDI's goal has been job creation, job retention, entrepreneurial development in high tech and manufacturing businesses, technology transfer from SRS, and the creation of a positive economic development environment in the two-state region.

As of September 30, 2001, a total of \$52.6 million has been committed to the SRS Operations Office, the management and operating contractor, the CRO, and other economic development associations. To date, \$45.2 million has been spent. A total of 7,094 jobs were created or retained, and an additional 5,739 jobs are expected to be created or retained by FY 2005. In addition to the projects SRRDI has funded, the Department has also directly funded other projects to foster economic growth in the region.

Exhibit II.5.16.3 provides a summary of all projects funded between FY 1993 and FY 2001.

From FY 1993 through 4th Quarter FY 2001							
Project Title	WT 3161 Funds Committed	Other DOE Funds Committed	Total DOE Funds Committed	Funds Spent	Jobs Created or Retained (Reported)	Cost Per Job Created	Jobs Created or Retained by 2005 (Estimated)
CRO-Prospect Development	\$3,000,000	\$0	\$3,000,000	\$2,982,675	890	\$3,351	1,255
CRO-Man Tech Center	\$160,000	\$0	\$160,000	\$54,000	76	\$711	131
CRO-Business Incubators	\$227,817	\$0	\$227,817	\$225,662	87	\$2,594	100
CRO-Seed and Challenge Fund	\$1,826,436	\$0	\$1,826,436	\$1,369,724	3,841	\$357	5,272
CRO-Venture Capital Fund	\$2,948,000	\$0	\$2,948,000	\$2,100,000	141	\$14,894	186
CRO-Administration*	\$1,197,777	\$1,017,165	\$2,214,942	\$2,152,792	4	\$538,198	1
CRO-Planning	\$1,057,720	\$0	\$1,057,720	\$1,055,047	237	\$4,452	504
CRO Scientific & Engineering	\$50,000	\$0	\$50,000	\$0	0	\$0	0
CRO-Technical Scholars	\$50,000	\$0	\$50,000	\$0	0	\$0	50
CRO-Proposal Development	\$56,250	\$0	\$56,250	\$55,898	1	\$55,898	194
CRO-CSRA Mfg Tech Center	\$1,000,000	\$0	\$1,000,000	\$1,000,000	0	\$0	600
SRDL Subtotal	\$11,574,000	\$1,017,165	\$12,591,165	\$10,995,798	5,277	\$2,084	8,293
Savannah River Operations Office	\$1,450,000	\$8,859,746	\$10,309,746	\$9,842,658	957	\$10,285	1,653
Westinghouse SR Company	\$200,000	\$8,891,894	\$9,091,894	\$8,815,961	520	\$16,954	1,387
Tri-County Economic Development	\$8,400,000	\$200,000	\$8,600,000	\$3,582,340	340	\$10,536	1,500
SR Site Centers of Excellence	\$0	\$12,000,000	\$12,000,000	\$12,000,000	0	\$0	0
Totals	\$21,624,000	\$30,968,805	\$52,592,805	\$45,236,757	7,094	\$6,377	12,833

* Funds used for administrative purposes. Job creation not intended.

Exhibit II.5.16.3 Savannah River Site Community Transition Funding and Job Creation by Project

II.5.16.7 Accomplishments and Lessons Learned

Work force analyses continue to be accomplished on a quarterly basis. However, the analyses format has been expanded to reflect fiscally-planned headcount rather than just actual headcount as in the past. This provides the ability for a continuous look at human resource needs and excesses throughout the work force and is very helpful in maintaining the necessary skill mix to accomplish site missions particularly in critical skill areas.

The multi-skilled technician unit has proven to be a valuable site resource and further direction on how best to utilize this resource on a long-term basis is being developed.

The certification program effected through local technical colleges continues as a decided site asset by providing a pool of qualified, skilled potential workers to fill open positions in several seniority units as needed.

The continuing effort to ensure preference-in-hiring (PIH) candidates are hired if they meet the job qualifications has significantly improved the written scope of job requisitions thereby minimizing the referral of non-qualified PIH candidates for open positions.

II.5.16.8 Future of the Site

SRS will continue to play an important role in the transportation, stabilization, storage, and disposition of excess nuclear material that pose a threat to world security. The site will also continue as a central player in nuclear weapons stockpile stewardship with the construction and operation of a new facility to extract tritium.

Over the next decade, SRS will continue to seek efficiencies in operations and pursue scientific research, development, and deployment of new technologies to achieve its missions. It will also be working with the State of South Carolina to ensure an off-site disposition path for high-level waste and nuclear materials and to find mutually acceptable solutions for the disposition of low-level and mixed wastes.

Overall, the staffing levels for WSRC as well as construction crafts are expected to be adjusted to address new mission requirements and cost efficiencies over the next few years.

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